CITY OF VERO BEACH, FLORIDA
JANUARY 3, 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

Father Michael Goldberg from St. Augustine Episcopal Church gave the invocation.

C. Pledge of Allegiance

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

2. PRELIMINARY MATTERS

A. Agenda Additions, Deletions, and Adoption

Mayor Turner made a motion to remove item 4-A) from the agenda. Mr. Kramer seconded the motion and it passed unanimously.

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

B. Proclamations

1. **Certificate of Waterway Cleanup Certificates and Burgees to City Council**
2. **Pretreatment Award to be given to Former City Employee Mark Morris**

Mayor Turner presented both Awards.

C. Public Comment

1. **Chamber of Commerce to give a presentation on Economic Development**

Mrs. Helene Caseltine, Economic Development Director for the Chamber of Commerce and Jay Hart, Employee of Wells Fargo and Co-chair for the Economic Leadership Alliance gave a Power Point presentation (on file in the City Clerk's office).

Mr. Hart explained that they would like to raise the private sector investments from $30,000 to $100,000 by March 2012. The "new $70,000" pays for target site selectors, markets their assets/incentives, targeted trade shows, site visits, and contract staff.

Mrs. Carroll asked of the businesses shown that had previously shown new jobs, besides Piper were any of the other businesses located within the City of Vero Beach.

Mrs. Caseltine reported that Ocucue, eMindful, and SpectorSoft were all located with in the City of Vero Beach.

Mrs. Carroll noted that the Airport is included within the Enterprise Zone. She asked if any of the businesses were coming into the Enterprise Zone.

Mrs. Caseltine reported that Communications International did locate within the Enterprise Zone, but they are located in Gifford.

Mrs. Carroll wanted to be assured that they were marketing the Enterprise Zone at the Airport because of all the vacancies that are presently at that location. She asked if they are successful making the $200,000 goal, where does that place them in comparison to the funding provided by surrounding counties. It was shown in the Power Point presentation that other counties in the Treasure Coast area provide more funding then Indian River County. Mrs. Caseltine explained that the bulk of St. Lucie's funding comes from the County, but the City of Port St. Lucie does contribute.

Mrs. Carroll noted that a number of years ago the City developed a vision plan, they have a comprehensive plan and a downtown development plan, and all of these plans have addressed economic development and businesses within the City, yet the City has chosen not to provide funding for that. She asked Mr. O'Connor based on his experience with other cities, what is the general feeling of a small city in terms of providing those types of funds.

Mr. Jim O'Connor, City Manager, explained that it is dependent upon the location of the city and the role it takes.

Mrs. Carroll noted that Mr. Kramer provided them with some documents on economic redevelopment. She asked Mr. Kramer if this packet that he provided is associated with this topic or something else.

Mr. Kramer explained that information is for another project that he is working on for the downtown area.

Mr. O'Connor told where some of the funding came from in other cities that he has worked in. He said that it does not necessarily come from the General Fund.

Mr. Glenn Heran, 6985 57th Street, was at today's meeting to talk about the FMPA seat. He said that it was important to gain control of that seat and to have control of that seat by someone who represents the ratepayers and the taxpayers, but has no vested interest in the municipal city system to serve on the FMPA. He explained who the FMPA are. He said that they are a makeup of thirty cities who have partnership interest in the same investments as the City of Vero Beach does and the bulk of them are located on the East Coast. He expressed that this is a critical piece on how they sell to FPL and they need to officially extricate themselves from FMPA. They want to do that in order to save over twenty million dollars a year. He said that FMPA does not want to play "hardball" with them because the City of Vero Beach is not the only city who is experiencing these problems. He is happy to help in any way that he can. He doesn't think that it will be easy, but the job should be to educate their brother and sister municipalities.

Mr. Joseph Guffanti asked if the matter concerning the Chamber of Commerce was going to come up again and could he address his concerns at that time. Mayor Turner told him that he could. Mr. Guffanti said that he would return when that issue comes up with his redress of grievance.

Mr. Charles Wilson gave an update on the refunds from the 101. He said that the stand that they took for the City of Vero Beach has resulted in some of those funds pledged for refunds. However, the issue is still out there. At a recent Indian River County Commission meeting they agreed to make some refunds, but changed a few things in how the process of the refunds is going to be made. He said in all fairness he does not think that the County did it on purpose, but the actual reading that he has eliminates all City residents from refunds. He said that this will come up again before the County and he urged the Council to meet with him about this. The County determined that there was $132,000 remaining in the fund that has not been spent since 1996 and they agreed to refund this amount, plus interest. The way they are doing it is starting with the people who paid last in 1999 and are working their way back. Another thing that the County has done is if they agree that you are owed a refund and then they contact you and you don't come and get your money, then the money doesn't go to the next person in line and they keep the money. He will continue to challenge for some of the other money that is coming up. He asked for a meeting with the City Manager to point some of these things out to him and he (Mr. O'Connor) may be able to issue some requests to the County on behalf of the City.

Mayor Turner commented that as the City they entrust the County to administer their impact funds and it behooves them to try to be sure that their citizens are being treated fairly.

D. Adoption of Consent Agenda

1. Regular City Council Minutes – December 6, 2011

2. Amendments to Drinking Water (DW) State Revolving Fund Loans (SRF) DW310220 and DW310221

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

3. PUBLIC HEARINGS

A) A Resolution of the City Council of the City of Vero Beach, Florida, relating to Water and Wastewater Utility Service; Establishing a Water and Wastewater Utility Readiness-to-Serve Charge; Providing Definitions; Providing for an Initial Billing Register; Providing for Conflict and Severability; and Providing for an Effective Date. – Requested by the Water & Sewer Director

The City Clerk read the Resolution by title only.

Mr. O'Connor reported that this is part of the Optimization study and one of the recommendations from GAI as part of the revenue stream. The City has sent out six-hundred letters to interested parties informing them of this meeting and will ask that the public be allowed to make their comments at this time.

Mr. George Beutell commented that his family owns four lots. He gave the location of where these lots are located. He expressed how many people have been suffering in this current depression and that local businesses are struggling to survive. He questioned what you (government) is doing to help them out. He doesn't feel by passing this Resolution is the way to go. He agreed that the City of Vero Beach needs to get out of the electric, as well as the water and sewer business. They need to start looking at ways to lower costs and start helping people. He said that noone has been able to tell him why the City does not want to unite with the County in the water and sewer business.

Mr. Gary Perkins asked Council how they could charge a vacant lot owner for water and sewer when he is not connected to it. It would be irresponsible of them to pass this Resolution as it is now.

Mr. Eugene O'Neill, Attorney representing interest of Palm Island Plantation homeowners, who have about forty lots effected by this, as well as Mr. Charlie Sullivan who is also opposed to this. He expressed that the proposed Resolution is very unfair particularly to a client like his who have played by the rules and now ten years later they are changing the rules. He reiterated that they are in fact punishing the person who has played by the rules ten years ago. If they knew that the City was thinking about doing this now they may have done things differently ten years ago. He reiterated that this is a poor Resolution. This readiness to serve really is a fiction. He said that no one maintains capacity lines. Everyone is concerned about the economy and yet this will be hitting some of their citizens pretty hard. He did some research on the fees, and while they can

be legal to impose, what choice does his clients have ten years down the road when this new fee is being imposed.

Mr. Charlie Wilson understands that money is tight, but wanted to bring up the subject of the fee itself. He said that the readiness fees are actually impact fees. He questioned if this fee could be used for the purpose of taking the Plant off the river (as suggested by Mr. Winger at a previous meeting). This would be a question for the City Attorney. This issue was staff driven and taken to the Utilities Commission, which he realizes has a lot of new members. Mr. Stradley, the new Utilities Commission Chairman, said that the issue came before them and they did not have a great deal of time to research it. The new Utilities Commission would like to have a chance to take a closer look at this. He suggested sending it back to the Utilities Commission so that they can gather the facts. One of the facts is that the County does not charge readiness to serve fees because the line is in process. He said that the County impact fees are paid in the beginning. He wondered if this is just another revenue source and necessary to run the City. In the budget, do they have a requirement for what actually this $250,000 is going to be used for.

Mr. Michael Flinn, 500 Beach Road, owns a lot in the Estuary and felt that imposing this fee would be redundant. The only valid reason for doing this is that the water department doesn't get value of the taxes paid. He asked that this be looked at.

Mr. Mark Mucher also suggested taking this back to the Utilities Commission. If the Resolution does pass today he suggested that it become revenue neutral, meaning whatever money is raised from this effort be used to offset the other rates so that rates are lowered a little bit.

Mr. Robert Jackson mentioned that he received notice of this meeting, but his wife did not. He commented that for seventy years there have been no problems. This readiness to serve charge looks like a way around the property tax. He feels that this is a tax because it is associated with his ownership in real estate. He urged Council not to pass this Resolution.

Ms. Annabel Robertson, 850 Royal Palm Place, was at today's meeting representing her mother who is voicing her objection to this. She doesn't think this is a fee and by definition it is a tax.

Mrs. Deb Robinson stated that her business lies in the City. She mentioned the economy and that everyone in private enterprise have become more efficient. The Optimization study finds more money and how to provide more services. She suggested that they do a study to provide services like other businesses have to do. She has owned a lot for the last twenty years and has been paying taxes on it. She feels with the amount of taxes that she has paid on this lot that this water line has already been paid for. She feels that it is unreasonable to try to impose this fee after the fact. She said lets optimize your efficiency.

Mr. Joseph Guffanti commented that this morning there has been a lot of people speaking about the lots that they own in the City. He is a City resident and does not own a lot. However, as far as he is concerned they can "stick this Resolution in the garbage can this morning."

Mr. Peter Robinson asked to be able to listen to the City's presentation and then make some comments.

Mr. Roger Litle, was opposed to this Resolution. He said that paying this fee has no benefit. He said that Realtors will have to divulge this to people wanting to buy lots in the City and it could be a deal breaker.

At this time, Mr. Charlie Wilson asked Mr. Wayne Coment, Acting City Attorney, about a recent Supreme Court decision having to do with readiness to serve fees and the classification that it is a standby fee and was determined in actual fact that it is an impact fee. He said if this is the fact then the money could not be used for the purpose of moving the Plant off the river because the only time impact fees can be used is with increased capacity.

Mr. Wayne Coment, Acting City Attorney, stated that he has not researched that court case, but if this is seen as an impact fee that probably would be the case. The only research he did was to see if a readiness to serve was a legal fee that could be assessed on vacant lots.

Mr. Wilson felt that they may want to have that information before they pass this Resolution today.

Mr. Fletcher instructed Mr. Coment to do some research on this.

Mayor Turner went back to the GAI study - Appendix A. She said that is the section that addresses this readiness to serve and it states that the utility must determine that specific facilities for which costs are to be recovered such that no double recovery occurs through both this charge and any other charge.

Mrs. Carroll showed the audience what the Optimization study looks like and said that it included a lot of data, information and ways that the water and wastewater system could be optimized. She also was under the impression that this study was going to be implemented over a number of years in order to optimize the efficiency of running their water/wastewater system. However, the very first thing to come from the study to City Council was Mr. Bolton's idea to raise $250,000 from their residents and from people who are not their residents. Mr. Bolton is trying to implement this on their service territory and not just in the City limits. She explained that they are only allowed to tax City residents, but they can impose a fee on their whole service territory. She said that is one of the issues why she is not in favor of this Resolution. She agreed with Mr. Beutell's comments that this was a slap in the face. She also heard someone say that it was not ethical and Mr. O'Neill stated that this involved forty properties. She did ask the

City Manager if someone owns four or five properties, or churches who don't pay taxes but might be using empty lots for parking, are going to be imposed a fee because they can't charge them taxes. She was told by Mr. O'Connor that if a church was using these lots that they could de-subdivide them into one lot and she could not imagine Mr. O'Neill would have de-subdividing lots to create one lot out of his client's forty lots. She had a copy of the Utility Commission minutes when this matter was discussed and their biggest concern was how liens are going be charged if someone does not pay their fees. The information that they have seen since then does not add up to what the Utilities Commission was presented with. Because of these concerns, she will not be voting in favor of this.

Mayor Turner expressed that the motion made at their December meeting was to move this Resolution forward for a public hearing, but it was not to approve the Resolution.

Mr. Kramer recalled that when he was first presented with this it was a subsidiary that the ratepayers pay for the extra capacity that the developers had tried to purchase through their impact fees. His first thought on this was if the ratepayers are paying an extra fee to hold that extra capacity then perhaps the developers need to be paying the fee instead of the ratepayers. If they charge this fee then that money should be used to reduce their rates. He felt that Mr. O'Neill brought up a very good point. Mr. Kramer said that he is also a business person and does not like surprises. He said perhaps the fee is an admission that they did not charge enough for impact fees to cover the maintenance throughout the years. He would support this Resolution going forward, but does not think doing this in the arrears would be something that they would want to do. They deserve to give their citizens a heads up as to what fees they are going to incur on their properties and developments. He just doesn't want to see the ratepayers pay for the extra capacity that the developers want to have. He needs to ask the question if they charged enough impact fees to cover future maintenance. He thinks the answer is no and would like to send this back to the Utilities Commission and have them look at it and see whether enough impact fees were charged or not.

Mrs. Carroll disagreed with Mr. Kramer. She referred to the minutes from the last meeting where Mr. Bolton stated that this money could be used for whatever the Council decides to use it for. She said that with the study it was suggested by Mr. Bolton to use the firm GAI because they have used them in the past. She reiterated that this money is not in their budget and is not needed. It was Mr. Winger's suggestion to put the additional money aside for the possible removal of the Plant. Mr. Bolton also stated at that meeting he was hoping to fast-track this and have it effective in April.

At this time, Mr. O'Connor withdrew the Resolution.

Mr. Peter Robinson gave some history, which may affect the rates down the road. He said that the reason they don't have impact fees was because the Sewer Plant was built by a grant received from the Federal Government. He said since citizens were paying for the Plant the City could not turnaround and charge impact fees. He then went over how the

County handles these fees. He requested that if this should come up again and a notice is sent out that the rate is included in the notice.
Mrs. Jane Burton, Utilities Commission member, explained that when they were reviewing the Optimization study this was not meant as a way to raise additional funds to go into the budget or General Fund. However, she said that after reviewing this it is very apparent that the Utilities Commission needs to revisit this issue. She also thinks that it should never have indicated that anybody that doesn't have a line running in front of them (like a sewer line) could be charged a base fee.

Mr. Winger commented that Mr. Teston said at the last Finance Commission meeting that the money should be returned to the ratepayers who are paying money if this is enacted. He asked was it their intent to let the Utilities Commission and Finance Commission look at this again.

Mr. O'Connor stated that someone would not be paying the service charge if they do not have access to a lot. They would only be paying the share of whatever utility is available to the lot. He said that what he is hearing from Council and the citizens is even though this was in the Optimization study it is not something they should be doing. They need to look at efficiencies first, which they are doing and it will not take the twelve years as outlined in the Optimization study in order to implement these programs.

At this time (11:10 a.m.), Council took a ten-minute break.

B) An Ordinance of the City of Vero Beach, Florida, Pertaining to Environmental Regulation; Amending the Code of the City of Vero Beach, Chapter 38, "Environment," by Providing for Creation of Article V, "Florida-Friendly Fertilizer Use;" Providing for Conflict and Severability; Providing for an Effective Date. – Requested by Mayor Turner

The City Clerk read the Ordinance by title only.

Mayor Turner reported that this Ordinance was the result of a collaborative effort of lawn care companies, golf managers, fertilize manufactures, and City staff in trying to bring the best practices forward in trying to maintain their landscapes and protect their lagoon.

Mayor Turner opened and closed the public hearing at 11:21 a.m., with no one wishing to be heard.

Mr. Kramer made a motion to approve the Ordinance. Mr. Fletcher 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.

Mrs. Carroll recalled that she spoke to Mr. Falls about some ideas that the City could implement in terms of reducing water usage in their swales and on City lawns, fertilizer use, etc., and Mr. Falls told her they are moving forward on some of these ideas. She

thanked Mayor Turner for bringing this forward and thought that this may also help with lowering some costs in the City.

4. RESOLUTIONS FOR ADOPTION WITHOUT PUBLIC HEARING

A) A Resolution of the City Council of the City of Vero Beach, Florida, Supporting Police Officer and Firefighter Pension Plan and Disability Presumption Reforms to make the Plans Sustainable, Sound, and Secure for Current and Future Police Officers and Firefighters. – Requested by Mayor Turner

This item was removed from the agenda.

B) A Resolution of the City Council of the City of Vero Beach, Florida, declaring abandoned any interest of the City of Vero Beach, Florida, in those certain Sideyard Easements described as the Southerly 3 feet of Lots 13 and 14 and the Northerly 3 feet of Lots 14 and 15 of Block 24, Royal Park Subdivision Plat Number 7. – Requested by the Public Work's Department

The City Clerk read the Resolution by title only.

Mr. Kramer made a motion to approve the Resolution. 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.

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

None

6. CITY CLERK'S MATTERS

A) Annual Reports from City Commission/Boards

Mrs. Tammy Vock, City Clerk, presented Council with copies of the Annual Reports from the different City Boards and Commissions. The only reports not received to date are from the Finance Commission and the Utilities Commission. She told the Council that if they have any questions on any of the reports that the Chairman of the Commission would be happy to answer them.

Mayor Turner thanked all of the Commissions for submitting these reports. She requested to all of their Commissions that they look at suggestions for money saving efficiency measures in their areas.

Mrs. Carroll suggested that the report provided to them by the Recreation Commission and the Airport Commission be sent out to the other Commissions as a guideline for their

future reports. She appreciated the volunteers that they have serving on these different Commissions.

Mayor Turner added that the reports give them an opportunity to evaluate the effectiveness of their Commissions.

Mrs. Carroll asked that the reports from the Utilities and Finance Commission be turned in by their March meeting.

7. CITY MANAGER'S MATTERS

A) Request from Indian River Habitat for Humanity – Habitat Cracker Hoedown

Mr. O'Connor reported that they have received a request from Indian River Habitat for Humanity to serve alcohol at their Habitat Cracker Hoedown, which will be held at Riverside Park. They had also requested in their letter a waiver of any fees related to the use of this site, but have since withdrawn that request.

Mr. Dave Taylor, Chairman for the Hoedown event, explained the reason that they rescinded their request for a waiver of fees to use the grounds was because many people may come to Council with the same request and it could open a can of rooms. He reported that the Habitat Cracker Hoedown will be held on March 3, 2012. He said that they have served alcohol at previous events and have never had any problems.

Mr. Fletcher made a motion to instruct the City Manager to issue the permit. Mrs. Carroll seconded the motion and it passed unanimously.

B) Water, Sewer and Reuse Response to Indian River Shores

Mr. O'Connor reported that this item is the response to Indian River Shores. He said they have a franchise with Indian River Shores now that expires in four years so they have asked for a response to their request for the service extension. He has prepared a letter for Council's consideration, which outlines a couple of items. He said one item is that they would give a three tier reuse charge which is something that they could apply in the City of Vero Beach as well. They are giving Indian River Shores the option of either going to the current rate charges or going to the County rate charges. If they do go with the County rate charges then we would want to apply the County rate structure to the City of Vero Beach. He recommended that this letter go forward. He would hold it until the next Council meeting, which would be January 17th in order to get Council's input and it is due to Indian River Shores no later than January 23rd.

Mrs. Carroll asked in giving Indian River Shores the choice of either the County or City rates, are they making the decision now for thirty years to stay with either the County or the City rates.

Mr. O'Connor explained that the rates are determined when they sign the franchise agreement. He said there has been an offer from Indian River County to acquire their system and he thinks that may be something down the road to look at. He has looked at their water rates/rate structures and feels comfortable with their rates and the fact that they will be implementing efficiencies. They know of at least six positions at the Water Department that will be eliminated, which is a pretty substantial number and will make a difference in the way that they structure their utilities. As noted in the letter one of the issues was the reuse and he feels that providing the reuse at a 50 PSI it provides an added value to the system itself.

Mrs. Carroll noted that in the letter that the City of Vero Beach will no longer charge the ten percent surcharge, but would apply any charge that Indian River County applies to customers in the respective rate classifications on their system. She said so if the County started charging some rates, would we start charging those similar type rates or fees. Mr. O'Connor answered yes. Mrs. Carroll continued that even if Indian River Shores goes with the City rates and the County starts charging extra fees, we will start charging that extra fee. Mr. O'Connor again said the answer is yes, but they could withdraw this option if that is the wish of Council. Mrs. Carroll said that would be a decision that Indian River Shores will make as to whether they like it or not.

Mrs. Carroll referred to the Reuse Revenue and Expenditure page and was concerned where it states fiscal year 2010-2011 the utility charge was $712,000 and yet fiscal year 2013 they are projecting the utility fee to be $370,000. She asked how this went down by 50%.

Mr. O'Connor explained that if they don't use their potable water for reuse and take it directly from Indian River Farms they no longer have those costs of water generated for their reuse.

Mrs. Carroll asked if this would provide them additional reuse water to use for their City residents who at this point cannot use it. Mr. O'Connor said yes and they also have built in here where they do assessments, but at the same time build lines for City residents and expand their system within the City.

Mrs. Carroll asked if Indian River Shores did not go with this would they still go forward with increasing their reuse capacity.

Mr. O'Connor said they would not do reuse capacity, but they would do expansion of their reuse within the City.

Mayor Turner stated that in the event that Indian River Shores does go forward with this agreement then it would be effective on October 1, 2012 in which they would be waiving the ten percent surcharge. The reuse rates as presented will have no profit. Mr. O'Connor said that is correct.

Mrs. Carroll asked with the $1.2 million dollars that Indian River Shores would be saving, how does that effect the long term budget that they have seen come before them for the next few years.

Mr. O'Connor did not see it as an impact because they do have a good cash flow coming in and money for capital projects. He feels comfortable that it will have no impact on their rates.

Mayor Turner wanted to table this until they see the time table for the optimization plan that they had asked for. She said that the five year capital plans were never submitted for any of the departments at budget time and they need to see them also.

Mr. O'Connor explained that these numbers have been reviewed by both parties and January 17th is their drop down due date to have Council approve this if they are going to submit the letter.

Mr. Fletcher made a motion to instruct the City Manager to submit the letter. Mr. Kramer seconded the motion.

Mayor Turner wanted to hold off until she received more information. She wants to see it laid out that this $1.2 million dollars is not going to be a burden later on down the road.

Mr. Winger felt that this was a good deal, Indian River Shores was a good customer and they should move forward.

Mr. O'Connor asked the Mayor if he understood it that between now and January 17th she wants him to have an updated five year capital plan, as well as some dates for implementation of the Optimization study.

Mayor Turner said yes and noted that she asked for this at their December meeting.

Mrs. Carroll said if they held off on this until their next meeting they would still be able to make the deadline of January 23rd.

Mr. O'Connor explained that the reason he brought this up for discussion today was to give Council until January 17th to make any changes to the letter that they felt should be made. He is looking for input from the Council and asked that if they had any changes that they are sent to Mrs. Vock who would get them to him.

Mr. Winger called the question. The motion to call the question passed unanimously.

The motion made requesting Mr. O'Connor to send this letter to Indian River Shores as presented passed 3-2 with Mrs. Carroll and Mayor Turner voting no.

Mrs. Carroll asked Mr. O'Connor to provide that data for them for the next meeting. Mr. O'Connor said that he would.

8. CITY ATTORNEY'S MATTERS

None

9. CITY COUNCIL MATTERS

A. Old Business

1. City Attorney Position – Requested by Vice Mayor Fletcher

Mr. Fletcher stated that it is time that they make up their minds about their City Attorney. Mr. Coment has put his life on standby for a year now and he needs to know the status of his job. He suggested to Council that they review the existing applications and come up with their top five by January 17th so they can determine whether or not Mr. Coment is going to have a job with the City or not.

Mayor Turner expressed that those resumes were collected prior to September and now it is January. She said that they would have to check the validity of these applications before they bother going to a screening. She recalled back at their October 4th meeting she mentioned hiring an outside firm to help them with assistance in locating a City Attorney.

Mr. Winger agreed that they need to move forward on this and he supports Mr. Fletcher's position.

Mayor Turner felt that they all agreed that they need to move forward. They just need suggestions on how to move forward.

Mr. Fletcher commented that they could instruct the City Clerk to call the existing applicants to see if they are still available and then go from there. If they receive additional applications within the next two weeks from someone who is qualified then they would also consider that applicant.

Mr. Kramer suggested waiting two weeks and let the Human Resource's department post the job and see what applications that they receive.

Mrs. Carroll added that Human Resources could give the applicants that have already submitted applications a call to see if they want to update their resumes. She recalled that they received a resume from Mr. Coment. She asked Mr. Coment if he was still interested in staying. Mr. Coment answered yes. Mrs. Carroll understood that Mr. Coment had applied for another position somewhere else in the State of Florida. Mr. Coment explained that was many months ago.

Mayor Turner explained that what Council is suggesting is that they are looking for a two week period to advertise for a Charter Officer, requesting that resumes be submitted

within this two week period and then move forward with the selection of a Charter Officer. She wondered how they will come up with a short list.

Mr. Fletcher said that each one of them will come up with their top five and take a vote on the top five and then have Skype interviews with them like they did with the City Manager (if the applicant is out of town).

Mayor Turner reminded him that with the City Manager they hired a professional firm to sort through the resumes and do due diligence on the candidates and presented them with a short list.

Mr. Kramer suggested before hiring a firm that they see what applications that they receive.

Mayor Turner felt like they went through that exercise back in September. They received a number of resumes, but none that really fit or that the whole Council was ready to go forward with. She felt that it was time to get some professional help.

Mrs. Carroll suggested that they put the advertisement for the City Attorney on the Bar Association website, as well as the Florida League of Cities posting for position openings. She agreed with holding off for two weeks to see what applications that they receive. The cutoff date for the applications will be January 17th.

2. Support for the Chamber of Commerce – Requested by Mayor Turner

Mayor Turner noted that they had a presentation from the Chamber of Commerce this morning and she feels that it is one use of taxpayer's money to try to generate more taxpayers. The businesses are the life blood of the City as far as generating their income. She wanted to see them take a stand as a municipality to support their Chamber of Commerce.

Mr. Fletcher was opposed to this because the City pays taxes already to the County and the County supports the Chamber of Commerce. He feels that this is double-dipping for the taxpayers.

Mr. Winger concurred with the comments made by Mr. Fletcher. He pointed out that whenever the power company is sold they will be facing a decrease of about four-million dollars for the first four years. He said that this City probably made an error when it started transferring funds from the electric utility to the General Fund. He said now that is going to end because he feels that this Council has committed to sell. Over the years they have been very gracious in spending money and now they have to begin to say "no" and begin being concerned with efficiency.

Mrs. Carroll stated that she would support the Chamber of Commerce in their efforts for bringing businesses into their City. She was surprised when she asked the question today if any of these new businesses were located in the City of Vero Beach. She was

expecting the answer to be no and was pleased to hear that there are jobs coming into the City. They have heard from some businesses who have said how hard it is for businesses in the City and the concerns they have in paying utility bills and the lack of resources provided in trying to grow our City. She suggested the contribution of these funds come from the City Council's schools and meetings line item in the budget. The funding be used as a 3-1 match for other businesses in the City that are contributing to this economic development to help assist other businesses. Attach to this that it be a 3-1 match by City businesses up to a maximum of $2,000.00.

Mr. Kramer commented that seeing that they pulled the money out of the Council's meetings and schools fund he could not see why each Councilmember could not put their share towards the Chamber of Commerce. He would not want to contribute public funds to this because they have already been doing it through the County.

Mrs. Carroll explained to Mr. Kramer that with the schools and meetings budget line item it was not their money to use. It was a totality of the whole Council to use for training.

Mr. Kramer felt that instead of going to schools/meetings and bringing a voucher back Council would be giving that money to the Chamber of Commerce. Mrs. Carroll told him that you are still using public money. Mr. Kramer then said he would not vote in favor of doubling up with the County and giving money to the Chamber of Commerce.

Mrs. Carroll commented on the other surrounding counties and that most of them are contributing 10% more to their Chamber of Commerce then what Indian River County does.

Mayor Turner commented that the contribution that the City would like to give is not huge, but at least it shows that they want businesses to come into the community and stay here and grow.

Mr. Fletcher agreed with Mr. Winger that they have to start saying no. He said that times are tough and will only get tougher and it is time to start saying no.

Mr. Joseph Guffanti was opposed to the request from the Chamber of Commerce. He said that most people in the community would not benefit from this at all.

Mr. Tony Donadio, Co-chair of this Task Force, along with Mr. Jay Hart, explained that this is not about taking money and giving it to businesses, it is about getting businesses to come into this community. These businesses will be paying taxes and paying for utilities and there will be benefits when these companies come into the community. Now is the time to say yes and create jobs for people who don't have jobs. This is a way of showing the community that you are behind this.

Mayor Turner made a motion to do a 3-1 match up to $2,000 to support the Chamber of Commerce. Mrs. Carroll seconded the motion and it failed 3-2 with Mr. Winger voting no, Mr. Kramer no, and Mr. Fletcher no.

3. A Request for an update and discussion on the implementation of Management by Objective in the City – Requested by Councilmember Winger

Mr. Winger asked how far down do you reach into the departments with what Mr. Fletcher has sponsored in the past and he agrees with doing the performance evaluations.

Mr. O'Connor explained that personnel evaluations are for every person within the organization. The evaluations are being done by supervisors and so far there has been about sixty evaluations done.

Mr. Winger asked how many evaluations will one employee receive during the year.

Mr. O'Connor explained that every employee is being evaluated throughout the whole organization and it is being done on a yearly basis. He said that this has just been implemented so they are receiving comments on what can be done to improve the forms that they are using.

Mr. Winger asked both the Mayor and Mr. Fletcher if they were satisfied with the progress being made on this. He knows that they were both instrumental in getting this started.

Mr. Fletcher was waiting for a report after the first year to see how this actually works out. He mentioned that the Police Department does evaluate their employees twice a year and he has instructed the City Manager to look at their process to fold it into what he is now doing.

Mr. Winger agreed with doing the evaluations twice a year as a goal.

Mayor Turner commented that this is a total transformation for the City to do evaluations and it was one of Mr. O'Connor's objectives that he would be accountable for.

Mr. Winger brought up that he was very concerned about the four million dollar shortfall when the power company is sold and the five million dollars after four years if the lease is one million dollars a year for four years. He would like to propose that Council have a workshop and talk about what is going to be needed in way of revenue enhancement. He said that it would not necessarily be all ad valorem taxes, that there are other approaches. He believes that by the time they get to next year's budget process that they should have some guidelines that they have agreed on as to what will happen in 2013 and then a long term approach as to what they will look like in 2014 assuming that the utility is sold. He suggested that the Charter Officers, in particular the City Manager, need numerical objectives. He reiterated that they need to begin thinking about and tackling the four million dollar shortfall.

Mrs. Carroll mentioned that Mr. Winger has brought up several times today the four million dollar shortfall and then he said that they need to look at revenue enhancement of four million dollars instead of a cost decrease. She believes that this is a paradigm shift that this Council has discussed over and over with their City Manager as options. She said lets readjust our paradigm that we don't always have to raise fees, but they could reduce costs.

Mr. Winger appreciated the point made by Mrs. Carroll and said that it would be a combination of the two.

Mr. O'Connor expressed that he is taking the efficiency route. The benchmarking process will give them a picture of the number of employees that they will need within the organization to maintain the level of service that they want. They have some time in this process that they will utilize in order to make these adjustments. He appreciated the fact of having the numerical goals, but they need to identify what that numerical goal actually is over time. The four million dollars was a number based on their best estimate at that time and since then they have seen one change that has impacted this four million dollars at least short term. He said benchmarking is the highest cost in any city organization and is the one that they are approaching and hopefully will be implemented as they go into the next budget year.

Mr. Winger said that he will be very uncomfortable being asked to concur with any offer from FPL without them having started a dialogue. Again, he would like to see them have a workshop in either February or March to start discussing this. He made a motion that in February or March, at Council's discretion, that they have a workshop and begin addressing this.

Mrs. Carroll told Mr. Winger that they have just heard from Mr. O'Connor that he and the Finance Director are working diligently on those numbers and they need to have a contract so that they know what the numbers are going to look like. She didn't think there was a need to have a workshop until they have the numbers in front of them.

Mayor Turner pointed out that she did feel that they are addressing some of the key cost saving measures, as well as looking at the RFP for health care. She appreciated that Mr. Winger was looking for the whole big picture.

Mayor Kramer seconded the motion. He said that he was in favor of sitting down and talking about these numbers.

Mr. Fletcher thought that a meeting in the first week of March would be a good idea. He said that they could have a report from the City Manager at their first meeting in March or have a workshop that they can focus in on this issue.

Mr. Winger revised his motion to concur what was just said by Mr. Fletcher. However, he would rather have a workshop after the report has been given.

Mr. O'Connor stated that in the first meeting in March he would give an overview of where they feel like they stand at that particular time and then if Council wishes to have a workshop going forward they can do that as well.

Mr. Fletcher stated that a dedicated report during the meeting would be fine with him.

4. Resolution for an on-going Quarterly Report by the Finance Commission assisted by the Finance Department/City Manager for a state of the City Finances report as defined below – Requested by Councilmember Winger

Mr. Winger recalled that when he was on the Finance Commission he was asked to ratify changes in the budget with just a few days left in the year and it involved a lot of money that had been spent. He would like to see the City under firm financial control. He knows with the new City Manager and Finance Director that is possible. He also has great belief in the Commissions and values their input. He said that starting with the City Council meeting on February 7th and hence forth quarterly, he wanted to resolve that the Finance Commission would bring forth an analysis in conjunction with their City officials of where they are on the budget. He will leave it to the Finance Commission to highlight the areas of concern. He is asking for a resolution that hence forth into the future quarter that the Finance Commission come in front of the Council and report where they and management sees significant variations.

Ms. Cindy Lawson, Finance Director, stated that Council did charge the Finance Commission with bringing forth a good quarterly budget review. The Finance Commission is getting monthly reports and will be getting a quarterly report the week of January 17th. They have scheduled their next meeting for January 24th to do a quarterly review and budget analysis. The Finance Commission is very committed to the direction that Council has given them and they will formulize bringing to Council the quarterly review so that Council can discuss it as well.

Mr. Winger concurred with what Ms. Lawson has just said and would like to see it happen every quarter.

Mrs. Carroll commented that her concern would be if the Finance Commission had major questions on specific line items and more research was needed they may miss the deadline.

Ms. Lawson felt that was a reasonable concern since this is their first quarterly report. She is planning to give the Finance Commission a variance analysis with their report a week ahead of the meeting and see how it goes.

Mayor Turner thanked Ms. Lawson for having the data available and giving it out in a timely matter so that it can be reviewed.

Mr. Fletcher made it clear that the Council expects the Finance Commission to give a formal assessment of the budget and to come to the Council sometime in February with their quarterly analysis.

5. Status of GO-line buses moving to downtown City parking lot/Status of Bus Shelter on Miracle Mile – Requested by Councilmember Carroll

Mrs. Carroll asked Mr. O'Connor for the status of the Go-line buses moving to a different location and the status of the new bus shelter at Miracle Mile.

Mr. O'Connor spoke to Karen Diegel, from Senior Resources, and was told that they (Senior Resources) did not receive the grant that they applied for to use towards the new bus terminal so at this time they don't have the funding for it. They are trying to establish other areas where funding might be available.

Mrs. Carroll asked if there has been any recent communications from the neighbors in the area where the bus terminal is now located.

Mr. O'Connor answered no. However, he said that Senior Resources not receiving the grant money has been a public discussion.

Mr. O'Connor reported that he has found in the Code that it allows the City Manager to provide licenses, such as the one for the bus shelter. He said that Mrs. Diegel is hoping to have funding for the bus shelter to be located at Miracle Mile sometime this summer. He said that she is currently working on it.

Mrs. Carroll was happy to hear that was finally going to happen.

Mr. Coment added that the County received the executed license agreement on November 15th, which is where the hold up on this has been.

6. Alarm Fees – Requested by Councilmember Carroll

Mrs. Carroll recalled that there were some residents in the community who had some concerns about the alarm fee as discussed at the last meeting and its compatibility with surrounding areas. Mr. O'Connor provided to them a comparison of the City of Vero Beach versus Indian River County, Sebastian, Fellsmere and Indian River Shores. She wondered whether that comparison would have any impact on the City's policy to charge the fees.

Mr. O'Connor explained that there have not been any administrative changes made. The fees going to the false alarm are below what the surrounding areas charge, but they do not have the refund policy.

Mayor Turner commented that once she saw the spreadsheet she had no problems with the way they are handling this at this time.

Mrs. Carroll thanked Captain Touchberry for creating this document.

B. New Business

1. Quarterly Financial Reviews – Requested by Mayor Turner

This item was heard earlier. Mayor Turner was satisfied that they would be reviewing the quarterly report in February.

2. Downtown Street Signs – Requested by Councilmember Kramer

Mr. Kramer mentioned that last year he had some conversations with a number of people and one of the ideas brought up to him was putting an additional street sign on top of the current street signs. These signs would display the historic names of some of the original Vero Beach streets. Some of the original names include Tom Tiger Blvd, Osceola Blvd, Cherokee Avenue, Shawnee Avenue, DeLeon Avenue, etc. Their placement would be to continue City Council's support in the neighborhood association's initiatives in keeping interest in their downtown areas and local neighborhoods. There would be no cost to the City. The City sign department would be asked to make the signs, but the funding for the project would come from the neighborhood groups.

Mr. Kramer made a motion that they approve to go ahead and allow fundraising to put these signs up. Mr. Winger seconded the motion.

Mayor Turner wanted to make sure that with the installation of the signs that this would not be any problem for their emergency personnel. She was told it would not because the current street signs would still be in place. She also questioned how the signs would be installed.

Mrs. Carroll commented that she has been in different areas where they have designated different neighborhoods by these types of vanity signs. This creates more of a feeling and identity for the neighborhood. This might be how they could place an identity to these older neighborhoods rather than renaming the streets, but renaming the street signs within the neighborhood.

Mr. O'Connor mentioned that everyone has a different point of view as to which neighborhood they live in.

Mr. Fletcher added that they tried that ten years ago and it didn't work.

The motion passed unanimously.

3. Discussion of membership on FMPA Board of Directors – Requested by Councilmember Carroll

Mrs. Carroll noted that the City of Vero Beach as a member of FMPA, has one seat on the Board of Directors. They also have seats on the Power Project Boards for Stanton I, Stanton II, and St. Lucie Nuclear. Mr. John Lee, Customer Service Director, has been the recipient of communication since Mr. R.B. Sloan left the City, but has never attended the meetings as their City Representative. She said that no one from the City of Vero Beach has attended these meetings other than teleconferences by Mr. Lee prior to March 2010. She said that it is in the best interests of the City to extricate themselves from the FMPA's membership. It is clear that discussions will take place at their Board level to which they have a vested interest. She asked for discussion from Council on this.

Mayor Turner agreed that it was vital to have representation on these Boards.

Mr. Fletcher reported that ten years ago he was the City's member on the FMPA. Their meetings are intense and they need to have someone on the Board. They are legally entitled to have a member there. They do need to go ahead and do this. He suggested that this person be a Councilmember, because of the political discussions.

Mr. O'Connor stated that at one time he also served on the FMPA. The representation is made up of people from Councils and Utility Authorities. He agreed with Mr. Fletcher that discussion involved more financial issues then technical issues.

Mrs. Carroll noted that Mr. Glenn Heran applied for the Utilities Commission and was not selected so she suggested that they consider Mr. Heran for this. She made a motion to make Mr. Glenn Heran their Representative on the FMPA. Mr. Fletcher seconded the motion.

Mr. Kramer cautioned them against doing this because Mr. Heran is not a ratepayer or taxpayer in the City of Vero Beach.

Mr. Winger would much rather see Mr. Fletcher be their Representative because he has experience. He thought that Mr. Heran's reputation might work against them and he could not support Mr. Heran as their Representative.

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

10. INDIVIDUAL COUNCILMEMBERS' MATTERS

A. Mayor Pilar Turner's Matters

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

Mayor Turner referred to the letter that they received from the Heritage Center acknowledging City staff on their hard work. They also received a letter complimenting the Engineering Department with their help on the new sidewalks located on Royal Palm Place.

Mayor Turner reported on a meeting that she had with Mary Burkins, from Students Working Against Tobacco, and their offer to buy receptacles to go on the City's boardwalks and in the Parks regarding butt disposal. This is in an effort to have a smoke free area.

Mayor Turner commented on the letter that they received from Mr. David Risinger concerning the Chairman of the Airport Commission providing him with her email address. Mayor Turner believes that their Chairs are one of a five member Commission and that their issues are to be handled in the public and do not have an obligation to give their private emails to the public.

Mrs. Carroll added that it is not the responsibility of the Chair or members of the Commission to answer to individuals from the community who are asking them financial questions, policy questions, or decisions made by City departments. It is the volunteer Commissions who together and as a collective whole make decisions or give suggestions to the Council. She said for a member of the community to go to a specific member of the Commission and make demands from them is inappropriate.

Mr. Mark Mucher commented that he has heard some concerns by Board members that if push came to shove and in a worse case scenario their emails might be seen as public information and their personal computers could be seized under certain situations. Some of the Board members are considering asking for a City email address. He has not given this much thought, but just wanted to mention it. He knows that he receives agendas by email for the Board that he serves on as part of City business.

Mr. Coment explained that there would have to be a good reason for the court to subpoena to see a person's hard drive and the City could always ask that they squash the decision and give good reason why they feel that the public is not being provided with a document.

B. Vice Mayor Craig Fletcher's Matters

1. Correspondence

2 Committee Reports

3. Comments

Mr. Fletcher reported that he attended an Metropolitan Planning Organization (MPO) meeting and a Treasure Coast Regional Planning Council (TCRPC) meeting.

C. Councilmember Tracy Carroll's Matters

1. Correspondence

2. Committee Reports

3. Comments

Mrs. Carroll reported that she also attended the MPO meeting. She asked about future plans for the vacant property located at the Vero Beach Sports Village.

Mr. Rob Slezak, Recreation Director, reported that the Recreation Commission will be asking Mr. Craig Callan to come before them and give them a report on future plans.

Mrs. Carroll reported that the Youth Sailing Organization and interested parties will be meeting on Thursday concerning the boat house row on the river and do plan to come before Council in February with a presentation.

Mrs. Carroll reported that the Chamber of Commerce will be celebrating their 90th Anniversary on January 12th at the Vero Beach Country Club.

The sidewalks on Royal Palm Place have been completed and it is a nice way for the public to get from one location to another.

B. Councilmember Jay Kramer's Matters

1. Correspondence

2. Committee Reports

3. Comments

Mr. Kramer attended the community Christmas party provided by the Recreation Department. He also mentioned that the Vero Beach Art Club continues to work on the Hibiscus mural.

Mr. Kramer commented that a friend approached him about renaming the boat ramp in McWilliams Park in honor of Brian Simpson. He didn't think that this boat ramp had a name.

Mrs. Carroll commented that McWilliams Park was named McWilliams Park because the family donated the land. She suggested that the Marine Commission discuss this item. Council agreed with pursuing this matter.

C. Councilmember Richard Winger's Matters

1. Correspondence

2. Committee Reports

3. Comments

Mr. Winger reported that he attended a Beach and Shores Commission meeting. He also attended the Holiday party at the Recreation Department. He went to two different retirement parties for City employees. He took a tour of the Marina and rode with an on duty Police Officer one night. He attended all the Commission/Board meetings that occurred in December except for one.

11. ADJOURNMENT

Today's meeting adjourned at 1:02 p.m.