

**COUNCIL MEETING
MINUTES
JANUARY 19, 2011**

Pursuant to Public Notice, Mayor Ferrante convened the regular meeting of the City Council on Wednesday, January 19, 2011, at 7:05 p.m., in the Council Chamber. Those present were Mayor Joseph Ferrante, Vice-Mayor Mike Chase, Councilman Jeffrey Fleis, Councilman Scott Rhodes, Councilman William Higginson, City Manager Michael P. Crotty, City Attorney James Beadle, and City Clerk Barbara Montanaro.

Mayor Ferrante led a moment of silence asking for the best for the residents, City, State and Nation; he then led the Pledge of Allegiance.

CITIZEN RECOGNITION

**INTRODUCTION OF GUESTS
CITIZEN COMMENTS**

No citizens had signed up for Citizen Comments.

CITY COUNCIL COMMENTS

Councilman Higginson

- Participated in several COP volunteer patrols;
- Held the South Beaches Coalition meeting where they agreed to have Eligere Strategies represent the Coalition in Tallahassee at no cost to the Coalition (distributed copies of the Minutes to Council);
- Attended the installation of Mitch Needelman as Clerk of Courts;
- Attended the memorial service for Zack Gibler of Lighting Science Group, noting that he will be remembered as an avid booster of the community;
- Attended the dedication of the Fire Department to Dennis Sams who died in the line of duty.

Councilman Fleis attended the memorial for Zack Gibler.

Councilman Rhodes

- Attended the memorial for Zack Gibler;
- Attended Samsons Island Committee meeting;
- Attended ribbon cutting at Kennedy Space Center Credit Union.

Vice-Mayor Chase

- Attended the reception for the new DeLaura Middle School Principal Claudia Shirley and gave her a packet of information about the City and introduced her to the City Website. They discussed the possibility of having students participate with the Library Board or some other City board.
- Stated that it makes a good impression when board members wear their city-issued shirts. He recognized budget constraints have curtailed the purchase of shirts for board members but recommended purchasing shirts for the more formal boards as soon as funds become available.

Mayor Ferrante

- Attended the dedication of the Fire Department;
- Attended Planning and Zoning Advisory Board.

CITY ATTORNEY REPORT

City Attorney Beadle did not have a report.

CITY MANAGER REPORT

Due to the number of individuals present for various agenda items, City Manager Crotty deferred his report to the end of the meeting.

DISCUSS/TAKE ACTION ON CHANGE ORDER NO. 1 (FINAL) FOR DESOTO PARKWAY RESURFACING

Change Order No. 1 for the DeSoto Parkway Resurfacing project reduces the contract amount by \$2,577.70, based on the actual installed quantities.

Mayor Ferrante asked for public comments; there were no comments.

ACTION: Vice-Mayor Chase MOVED, SECOND Councilman Higginson to authorize execution of Change Order No. 1 to the DeSoto Parkway Resurfacing Project, which reduces the contract amount by \$2,577.70, and to authorize the appropriate City officials to execute the Change Order. VOTE: ALL AYES. MOTION CARRIED.

DISCUSS/TAKE ACTION ON CHANGE ORDER NO. 1 (FINAL) CASSIA PHASE I AND II DRAINAGE PROJECT

Change Order No. 1 for Cassia Stormwater Improvements Phase I and II reduces the total contract amount by \$73,129.88. This reduction is based on the actual installed quantities and includes the additional work at the City Hall pond (approximately \$17,000).

This money will remain in the capital account line of credit for the capital improvements (Cassia Phases 1, 2, and 3, and the north drainage FEMA project).

Mayor Ferrante asked for public comments; there were no comments.

ACTION: Councilman Fleis MOVED, SECOND Councilman Rhodes, to authorize the execution of Change Order No. 1 for the Cassia Phase I and II Stormwater Project, which reduces the total contract amount by \$73,129.88, and to authorize the appropriate officials to execute the agreement on behalf of the City. VOTE: ALL AYES. MOTION CARRIED.

DISCUSS/TAKE ACTION ON PURCHASE OF A VAC TRUCK UNDER THE FLORIDA SHERIFFS' ASSOCIATION (FSA) BID NUMBER 10-18-0907

Public Works Director Allen Potter stated that on November 17, 2010, Council rejected all bids for the purchase of a vac truck. Since then, staff has investigated other options to acquire the truck, including existing State bid prices. He presented an overview of his December 22, 2010, memorandum regarding the Florida Sheriff's Bid listing which included bids on the three vehicles that the City had considered. This listing was posted after the City's bid process had been completed. Aquatech was the lowest base bid on the Sheriff's list. Mr. Potter and members of the Roads and Drainage team assessed the Vac-con and Aquatech vehicles and determined the Aquatech is the proper choice for the City's needs.

In his memorandum dated January 10, 2011, Mr. Potter recommended adding a root-cutting attachment

at a cost of \$7,200. Tree roots have infiltrated many drainage pipes; this tool would be used to clear blockages in the 10"-20" pipes.

The purchase of this equipment is the City's match for the 319 Stormwater Grant and will be purchased with Stormwater Utility funds. Aquatech will train the City mechanic and operators. Mr. Potter has contacted Cocoa Beach City Manager to see if Satellite Beach will be able to store the vac truck in the facility that Cocoa Beach is constructing at Pelican Coast.

Mayor Ferrante asked for public comments; the following individual addressed Council:

- Lloyd French, 240 Colonial Court, asked about cost and advisability of extended warranties, cost of operation and maintenance, training of operators and bystanders, and renting equipment instead of purchasing.

Public Works Director Potter read a list of warranties from the specs, reiterated that Aquatech will provide training for operators and mechanic, and explained that under the terms of the grant the City cannot rent the equipment.

- Dominick Montanaro, 465 Glenwood Avenue, suggested that some of the money saved on other stormwater projects could be used for needed extended warranties.

As part of the Section 319 Grant that funded Cassia Phases 1 and 2, the City's local match requirement is to purchase a vac truck to enable more aggressive cleaning of drainage lines, resulting in long-term improvements to the Indian River Lagoon.

ACTION: Vice-Mayor Chase MOVED, SECOND Councilman Fleis, to authorize the purchase of the Aquatech vac truck, based on the quotation from Pat's Pump and Blower per the Florida Sheriff's Bid number 10-18-0907 in the amount of \$252,012.00 and to add the root-cutting attachment at a cost of \$7,200.00, as outlined in the Public Works Director's January 10, 2011, memo.

DISCUSS/TAKE ACTION ON PZ #3-10 RECOMMENDATION REGARDING CHANGE OF NONCONFORMING USE FROM BOAT REPAIRS TO STORAGE FOR RECREATION VEHICLES AND BOATS FOR THE SOUTHERN PORTION OF 1180 SOUTH PATRICK DRIVE

Building Official John Stone stated the south parcel of 1180 South Patrick Drive has a non-conforming use of boat sales and service and wants to use that parcel for RV and boat storage. They submitted a request to amend the Land Development Regulations to allow RV and boat storage on the West side of South Patrick Drive as a conditional use. The Community Redevelopment Agency Advisory Committee (October 28, 2010) and the Planning and Zoning Advisory Board (PZAB) (December 16, 2010) both recommended not approving the request.

Thereafter, the applicant asked to exchange the non-conforming boat service for a non-conforming use of RV and boat storage and continue boat sales on the property. Section 30-412(e)(3) allows Council to exchange non-conforming uses if the new use has less impact on the surrounding neighborhood. On January 17, 2011, PZAB unanimously recommended approval of the change of use request for the south parcel only: Boat sales and storage of RVs, boats, and trailers would remain as non-conforming uses; boat service would be eliminated. PZAB also recommended conditions regarding lighting, hours of access, placement of vehicles, screening, wall maintenance, and keys to the Fire Department.

Community Development Director Laura Canady stated that Council, committees, and staff like to assist new businesses to expedite the review process. However, she received two communications regarding

this request: 1) Andi Porter asking about potential drainage of hazardous materials from the RVs and boats into the canal and cited an occasion in the past where a car sales lot was turned down for the same reason; and 2) CRA Advisory Committee member expressing some concerns about the project. She recommended that the CRA Advisory Committee review this for consistency with the Redevelopment Plan and required screening, etc.

Council referred this request to the January 27, 2011, CRA Advisory Committee meeting and back to Council on February 2.

PRESENTATION BY MATT DUPREE OF ELIGERE STRATEGIES, INC., REGARDING REPRESENTATION IN TALLAHASSEE

Mr. Dupree was not present.

DISCUSS/TAKE ACTION ON RETAINING SERVICE OF ELIGERE STRATEGIES TO REPRESENT CITY ON LEGISLATIVE ISSUES

This item was held until the February 2, 2011, meeting.

FOLLOW-UP PRESENTATION BY FIRE CHIEF ON CITIZEN PROPOSAL FOR A PROFESSIONAL INDEPENDENT DEPARTMENTAL EFFICIENCY STUDY

City Manager Crotty stated that Mr. Lloyd French, 240 Colonial Court, addressed Council under Citizen Comments on December 15, 2010, recommending that Council consider hiring Emergency Services Consulting International (ESCI) to objectively assess the efficiency of the fire and EMS services to the residents. At the time, he provided a brochure and contact information for ESCI.

Fire Chief Don Hughes stated that in response to Mr. French's request he contacted ESCI and three other outside consulting firms: Kramer and Associates; Public Safety Consulting, LLC; and Kincaid and Associates. He provided a draft scope of work and an estimated time frame to complete the work (May 2011). They provided the following non-binding ballpark estimates:

- Kramer and Associates, Public Safety Consulting, and Kincaid and Associates: \$9,500 - \$14,000 (depending on complexity)
- ESCI: \$35,000 - \$45,000

Chief Hughes stated that he supports the idea of an efficiency study by an outside objective consultant. It will provide validity to many services and may show some areas for improvement.

Council discussed the following:

- There is a big difference between the ESCI estimate (\$35,000 - \$45,000) and the other three estimates (\$9,500 - \$14,000).
- The Annual Report that Council received when they toured the Fire Department contains much of the data regarding concurrent emergencies, types of medical services, training, etc., that an independent consultant would need to conduct a survey and will facilitate compilation of data.
- The Annual Report should be available online so citizens can see the types/numbers of emergency calls.
- Will it be necessary to put together a request for proposal?
- Should both Police and Fire be included in the study?

- Is it appropriate to jump over the recommendations from the nine-member Blue Ribbon Budget/Finance Committee (BRC) to move this survey to top priority? Or should it be included in the review of the BRC Report?
- Can public safety meet the state and federal benchmarks with fewer employees?

Mayor Ferrante asked for public comments; the following individuals addressed Council:

- Lloyd French, 240 Colonial Court, confirmed that on December 15 he requested an independent assessment of the Fire Department; this request was instigated by the proposed special assessment for the Fire Department. Since then, he has had discussions with others and, in addition to Fire, he would like an evaluation of Police, Parks & Recreation, and Public Works to right size all services. He suggested that City operations be reviewed in a manner similar to a military Inspector General who checks for readiness, effectiveness, and execution of mission. Mr. French said his personal research indicates the Police and Fire may be 30% overmanned. He recommended selecting a broadly experienced consultant based on best value technical solution vs. lowest bid. The most expensive company (ESCI) created the scope of work and the price disparity could come from the other companies not adequately understanding the scope of work.
- John Fergus, 135 Maple Drive, speaking as a resident, former Chair of the Rightsizing Committee and Comprehensive Planning Advisory Board, and member of the Blue Ribbon Financial/Budget Committee, stated that it is clear the City needs an independent outside review to lay these issues to rest. Otherwise, Council will hear the same comments at every meeting. While serving on the Rightsizing and Blue Ribbon Committees, he learned that Police and Fire have to meet state and federal standards and handle situations none of us can conceive – fires, gun shots, etc.
- Gabe Feindt, 470 Caribbean Drive, stated that the Rightsizing Committee met four to five hours a week for nine months to review all departments and services. They concluded that all departments were running efficiently. He felt that a cut in personnel would result in a loss in service. He spoke in opposition to the City spending money on efficiency experts during financially challenging times.
- Pat Gibbons, 469 Coach Road, stated his support of the assessments and believes there will be a good return on the investment. Police and Fire are the big expenses so that is where the City has to look to find the hundreds of thousands of dollars needed. He suggested getting a couple people from the Blue Ribbon Committee together with Mr. French to help Chief Hughes define the scope of service and determine what it takes to run this type of fire department within budget.
- Mark Brimer, 850 Loggerhead Island Drive, recommended starting with the data that is available and then benchmark that against national data. Review all that data and benchmarks, asking the hard questions. That may provide the answers without spending money to hire outside services. If not, then go to the next step to paid consultants.

City Manager Crotty stated that the external assessment was triggered by the proposed non-ad valorem tax for fire service. If the non ad valorem tax is implemented, Council will have to review a comprehensive report about staffing and costs for these services. Mr. Crotty suggested that Council begin the next few meetings at 6:00 p.m. to discuss the Blue Ribbon Committee Final Report. The Committee had compared costs of having Brevard County provide fire, emergency medical, and police services.

Councilman Higginson stated for the record that he disagreed with independent evaluations across the board. For example, the Recreation Department is three people who do an excellent job; they actually bring money into the City.

Council concurred that the City Manager should begin assembling benchmarks and guidelines regarding the number of people needed on the road based on population; to weigh costs vs. value of services; and provide options to determine the best way to review departmental efficiency.

DISCUSS/TAKE ACTION ON DISPOSITION OF SURPLUS VEHICLES

City Manager Crotty gave an overview of Public Works Director Potter's January 13, 2011, memorandum regarding disposition of surplus vehicles: donate the 1993 Pontiac Bonneville (vin 0381) to Satellite High School for educational purposes; sell the two 2000 Crown Victoria (vin 4777 and 4112) and the 2003 Crown Victoria (vin 4509) to LKQ Auto Salvage for \$4,000.00.

Mayor Ferrante asked for public comments; the following individual addressed Council:

John Fergus, 135 Maple Drive, stated that, if the City can get \$4,000.00 for three junked cars, no comments are needed.

ACTION: Vice-Mayor Chase MOVED, SECOND Councilman Higginson, to donate the 1993 Pontiac Bonneville to Satellite High School and sell the two (2) 2000 Crown Victoria and one 2003 Crown Victoria to LKQ Auto Salvage as outlined in the Public Works Director's report dated January 13, 2011. VOTE: ALL AYES. MOTION CARRIED.

AGREEMENTS WITH HUNT PINNACLE, LLC

TRAFFIC SIGNAL AGREEMENT (A1A AND SHEARWATER PARKWAY)

Community Development Director Laura Canady presented an agreement with HP Communities, LLC, (HP) for a mast arm traffic signal at Highway A1A and Shearwater Parkway whereby the City will receive \$75,000.00 toward the \$150,000.00 estimated cost of the project. This will relieve HP from further responsibility for this project. In the agreement the City agrees to apply for and complete the project within one year after receipt of all permits.

Ms. Canady also presented Work Order No. 2010-4 for Quentin L. Hampton Associates to provide engineering service for design, permitting, bidding, and construction phase of the mast arm installation at a cost of \$32,412.00.

Council discussed the following:

- Is this the same design as the mast arms at South Patrick Drive? [The Florida Department of Transportation (FDOT) specs are the same; but this will be a design to go with the beach access streetscape design.]
- Will this have the audible enhancement for the blind? [That is not required by FDOT but the possibility can be researched.]
- The City's portion of the funding comes from the Community Redevelopment funds which must be spent in the Redevelopment District.

Mayor Ferrante asked for public comments; the following individuals addressed Council:

- Michelle French, 240 Colonial Court, questioned if mast arms cost more than the normal signals and why a mast arm was being used there when the rest of the signals were not mast arms. She stated that Jackson and DeSoto look OK.

The Community Development Director responded that architectural standards have been set for the Redevelopment District to attract businesses through an enhanced streetscape. Also, mast arm signals are more reliable during storms. The Redevelopment Plan includes mast arms at all signalized intersections.

ACTION: Councilman Fleis MOVED, SECOND Councilman Rhodes, to approve agreement for mast arm traffic signal enhancements at the intersection of SR A1A and Shearwater Parkway, and to approve Quentin L. Hampton Associates Work Order 2010-4, authorizing design, engineering, permitting, bidding, and supervision of construction process for mast arm improvements. VOTE: ALL AYES. MOTION CARRIED.

HIGHTOWER OVERFLOW PARKING AGREEMENT

Community Development Director Canady presented a Lease Agreement for overflow parking for motor vehicles only for payment of \$10.00 per year, subject to a 30-day termination period without cause. The plan calls for the property to be improved and stabilized, but not paved. At the end of the lease the City must restore the premises. Initial cost for permitting, engineering, construction and storm water improvements is \$28,940. Maintenance costs will be approximately \$700 per year.

Council discussed the following:

- Expressed approval of providing additional parking for beach access but questioned spending almost \$30,000 from the General Fund under current financial challenges.
- Can cars park there without making any improvements? [No, because of soft sugar sand.]
- Read the January 13, 2011, letter from Brevard County Director of Natural Resources Ernest Brown, stating the additional overflow parking would be highly beneficial to the Mid-Reach Beach Renourishment project – the additional parking would reduce the local share because the State Cost Share contributions are determined in large part by the amount of public parking for beach access.
- Questioned who uses the park most: Satellite Beach residents or others?
- The cost per parking space is too high.

Mayor Ferrante asked for public comments; the following individuals addressed Council:

- Dominick Montanaro, 465 Glenwood Avenue, advised caution in spending any unnecessary money at this time and asked if the Air Force or some other entity would share in the costs.
- Michelle French, 240 Colonial Court, stated that she does not like Cocoa Beach because of lack of parking. Now may not be the best time, but maybe there could be overflow parking with meters.
- Lloyd French, 240 Colonial Court, stated that parking is a service that can be found in the Yellow Pages; the City should not do anything that can be procured through the Yellow Pages. Let a business run the parking lot and give Satellite Beach residents free parking.
- John Fergus, 135 Maple Drive, stated that he does a lot of rescue runs to Hightower. Many Satellite Beach residents do go there and the only way they can get there is to drive. Residents of Montecito and the Legacy homes walk.

ACTION: Vice-Mayor Chase MOVED, SECOND Councilman Fleis, to approve agreement for lease for real property from HP Communities, LLC for use as overflow parking for Hightower Beach Park for \$10 per year, and not to pursue improvements to the property at this time.
VOTE: ALL AYES. MOTION CARRIED.

BUDGET ISSUES

FOLLOW-UP REPORT BY CITY ATTORNEY ON PROPERTY TAX EXEMPTIONS/INCENTIVES TO ENCOURAGE ECONOMIC DEVELOPMENT

In response to questions raised at the December 15, 2010, Council meeting regarding tax exemptions of incentives for businesses to locate in the City, City Attorney Beadle stated that the City can grant real property tax exemptions up to 100% of the assessed value. However, the City must hold a referendum on the issue to get authorization from the electorate to grant such exemptions. If approved by referendum, then the City would have to adopt an ordinance setting forth the parameters. Industrial development bonds and other financing vehicles for construction of a contemplated building and possibly purchase of property may be available. Bonds have to go to referendum for approval also.

Council asked that the CRA Advisory Committee look at these possibilities and report back with what other areas are doing and what might or might not work for Satellite Beach.

Mayor Ferrante asked for public comments; there were none.

PRESENTATION OF PRELIMINARY/UNAUDITED BALANCE SHEET FOR FY 09/10

City Manager Crotty introduced the Fund Balance Report prepared by Finance Director Brenda Raver. In FY 01/02 the auditors determined that reserves of \$175,000 were too low. Based on the auditors' recommendations and state guidelines, in 2005 Council established policies to increase the reserves. The overall estimated ending Fund Balance for all funds for FY 09/10 is \$3,307,660. To get a true picture of what is available, add General Fund (\$1,445,128) and Capital Assets (\$298,118) - roughly \$1,750,000.

Finance Director Brenda Raver stated that reserves should equal three months operating expenses to enable the City to continue operations after a hurricane or other unforeseen crisis. New regulations, GASB 54, will require that Fund Balance be segregated into specific reserves. The Finance Department will implement that in FY10/11. There are too many variables regarding revenue and expenditures to accurately predict what reserves will be at the end of this year.

Mayor Ferrante asked for public comments; the following individual addressed Council:

- Dominick Montanaro, 465 Glenwood Avenue, stated that he and other Council Members attended a Hurricane Conference in 2005 where representatives of Sanibel gave an educational seminar detailing the challenges of continuing day-to-day operations while dealing with \$5,000,000 hurricane damages. Council established a policy to place a percentage of the tax revenue from Montecito in reserves each year. He emphasized the importance of maintaining adequate reserves.

SCHEDULE OF DEPARTMENTAL AND FOLLOW-UP REPORTS ON BLUE RIBBON FINANCE/BUDGET COMMITTEE FINAL REPORT

Department heads have completed their review of the Blue Ribbon Financial/Budget Committee Final Report as it relates to their departments.

Council will meet from 6:00 p.m. – 7:00 p.m. before each regular Council meeting for the next two to three months to discuss with department heads their response to the Report. At the February 2, 2011, meeting, there will be a presentation on cell towers followed by Public Safety – Police and Fire/EMS.

OTHER BUDGET ISSUES

Budget issues will continue to be an agenda item for each meeting.

DISCUSS/TAKE ACTION ON FRATERNAL ORDER OF POLICE CONTRACT 2010-2011

City Manager Crotty presented the agreement between the Satellite Beach Police Department and the Fraternal Order of Police as approved in concept in the fall. The only change in the contract for 2010-2011 will allow training officers to receive compensatory time for 15% of their training time as opposed to the current 10%. The FOP did not request any other pay increase or benefit improvement. City Manager Crotty commended City employees for understanding the current financial challenges and their willingness to work with the City.

Mayor Ferrante asked for public comments; there were no comments.

ACTION: Vice-Mayor Chase MOVED, SECOND Councilman Higginson, to authorize the Mayor and City Manager to sign the 2010/2011 Fraternal Order of Police Contract. VOTE: ALL AYES. MOTION CARRIED.

APPOINTMENTS TO BOARDS

City Clerk Barbara Montanaro presented a list of board vacancies, reappointments, and applications for Council to consider.

Mayor Ferrante asked for public comments prior to the vote on each appointment. There were no comments.

ACTION: Vice-Mayor Chase MOVED, SECOND Councilman Higginson, to reappoint regular member Lucia Watson to a two-year term on the Library Board, said term ending February 2, 2013. VOTE: ALL AYES. MOTION CARRIED.

AGENDA ITEMS FOR NEXT REGULAR COUNCIL MEETING

City Manager Crotty presented items for the next agenda, including items carried forward from this meeting.

ADOPTION OF MINUTES: DECEMBER 15, 2010, REGULAR MEETING

ACTION: Vice-Mayor Chase MOVED, SECOND Councilman Rhodes, to approve the December 15, 2010, minutes. VOTE: ALL AYES. MOTION CARRIED.

DISCUSS/TAKE ACTION ON REQUEST FOR GRANT AUTHORIZATION 2011/2012 INDIAN RIVER LAGOON NATIONAL ESTUARY PROGRAM WORK PLAN

Grant writer John Fergus presented the request for grant authorization for the Banana River Basin TMDL Model Calibration Monitoring Project through the 2011/12 Indian River Lagoon National Estuary Program

Work Plan. For this project, Satellite Beach would partner with Brevard County to purchase and install an autosampler and flow-meter equipment to monitor the City's Lori Laine stormwater drainage basin and the drainage basin for Merritt Square Mall and to analyze the samples collected.

Council suggested that this type of data assessment be budgeted into the next stormwater budget.

Mayor Ferrante asked for public comments; there were no comments.

ACTION: Councilman Rhodes MOVED, SECOND Councilman Fleis, to authorize the City to participate in a joint grant project with Brevard County, whereby the City will provide matching funds of up to \$8,000 and Brevard County will provide an in-kind match of \$17,000 and perform the work to monitor and analyze data from Lori Laine stormwater drainage basin. VOTE: ALL AYES. MOTION CARRIED.

The City Manager deferred his report until the next meeting.

Mayor Ferrante adjourned the meeting 9:35 p.m.

Barbara Montanaro
City Clerk