

COUNCIL MINUTES SEPTEMBER 7, 2011

Pursuant to public notice, Mayor Ferrante convened a regular meeting of the City Council at 6:00 p.m. on Wednesday, September 7, 2011, in the Council Chamber. The following were present: Mayor Joseph R. Ferrante, Vice-Mayor Mike Chase, Councilman Jeffrey Fleis, Councilman Bill Higginson, Councilman Scott Rhodes, City Manager Michael Crotty, City Attorney James Beadle, and City Clerk Barbara Montanaro.

Mayor Ferrante led a moment of silence and the Pledge of Allegiance.

PUBLIC HEARING FY 2011/2012 BUDGET:

PUBLIC HEARING ON PROPOSED 2011/2012 BUDGET

Mayor Ferrante opened the FY 2011/2012 Budget Public Hearing.

City Manager Crotty distributed and presented an overview of the *Beachcaster* FY 2011/2012 Budget article regarding the following:

- The challenges from 2007 through 2011 brought about by decreasing property values and State legislation that reduced revenue to local governments.
- The proposed millage rate of 8.5285 mills will generate less revenue in FY 11/12 than 8.1439 did in FY 10/11.
- Charts showing five-year reductions in departmental operating expenses comparing FY 05/06 with the FY 10/11 expenses.
- A list of reductions in staffing in Admin/Finance, Public Works, Recreation, and Police.
- A list of cost cutting measures in the FY 11/12 proposed budget, including further reductions in staff, elimination of the Beachcaster, reduced hours at some recreation facilities and activities, and a reduction in building and grounds maintenance.
- The impact of the proposed millage rate on various properties showing that some residents will receive a tax decrease and some will see a tax increase.
- The Florida tax structure as set forth in the State Constitution is broken and does not treat property owners equally.

City Manager Crotty asked if there were questions on his presentation. The following individuals spoke:

- Chuck Mc Brearty, 642 North Hedgecock Square, where is the phone tax calculated? [Communications Service Tax collected by State and refunded to City.]
- Lloyd French, 240 Colonial Court, asked that in the future the comparison of all taxes (property, utility, etc.) include populations and land area of each City in the comparison.
- Harry Pawlak, 748 Atlantic Drive, commented on the recent survey results showing that 51% want to maintain the current level of service; yet Council did not fund to that level. He expressed disappointment that the position of twenty-year employee Rhonda McKinney was not funded.

- Don McLendon, 695 Fountain Boulevard, recommended that people review Screen F8 from the Tax Collector, which can show tax calculations back to 1995. He spoke of tax increases on his long-time homesteaded property.
- Michelle French, 240 Colonial Court, stated that not everyone responded to the survey. The 51% is only 51% of those who responded. It is unfortunate that individuals had to be let go; but it is the economic times we are in.
- Gabe Feindt, 470 Caribbean Drive, spoke of the risks and sacrifices that public safety employees make, remembering the fifty police officers who were ambushed and killed, and the two Satellite Beach officers who were killed in the line of duty.
- Dominick Montanaro, 465 Glenwood Avenue, stated that this was supposed to be a time for residents to ask questions about the budget; Mr. Mc Brearty is the only speaker who asked questions.
- Lynn Cavanaugh, 411 Rosedale Drive, asked Council to keep emergency personnel; the residents need them.

ORDINANCE NO. 1044, AN ORDINANCE OF THE CITY OF SATELLITE BEACH, BREVARD COUNTY, FLORIDA, DECREASING THE MILLAGE RATE 3.96% UNDER THE AGGREGATE ROLLED-BACK RATE; ESTABLISHING THE FY 2011/2012 OPERATING MILLAGE RATE; PROVIDING AN EFFECTIVE DATE (FIRST READING)

City Attorney Beadle read Ordinance No. 1044 by title only on first reading.

To satisfy the Florida Department of Revenue Truth in Millage (TRIM) regulations, City Manager Crotty announced the name of the taxing authority (Satellite Beach), the Rolled-Back rate (8.8804), the percentage of increase/decrease over/under the Rolled-Back rate (3.95% under the Rolled-Back rate), and the millage rate to be levied (8.5285 mills).

Council discussed the following:

- Council has spent many hours at several meetings reviewing the budget line items and various millage rates.
- By establishing the millage at 8.5285 mills, approximately \$280,000 from two reserve funds (Ocean Front Purchase and Fund Balance) will be used to balance the budget. This is non-reoccurring revenue, which will not be available for the FY 12/13 Budget.
- There has been a change in the philosophy of the Council in the past two years and they have not adopted the rolled-back millage. This is not sustainable unless Council establishes another permanent source of revenue to replace the declining property tax revenue.
- Departmental staffing has been cut to skeletal services; similar cuts next year will impact public safety.

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

- Joel Shugars, 765 Rosada Street, took exception to the language calling the millage rate a decreased rate, stating that he felt it is deceptive. He spoke of his years at the Naval Academy.

- Chuck Mc Brearty, 642 North Hedgecock Square, spoke against tax increases when neighbors are without jobs and people are hurting financially in this town and across the country.
- Carol Long, 409 Winchester Road, questioned why people who have lived here twenty to thirty years are getting tax increases when newer residents are getting decreases.
- Dania Billman, 690 Jackson Court, stated that everyone supports police and fire services, recreation, and quality of life. She recommended thinking outside the box to save money.
- Gabe Feindt, 470 Caribbean Drive, stated that Council and staff have been cutting operating expenses and personnel costs. This is the third year for a wage freeze.

ACTON: Councilman Higginson MOVED, SECOND Councilman Fleis, to approve Ordinance No. 1044 on first reading. VOTE: ALL AYES. MOTION CARRIED.

ORDINANCE NO. 1045, AN ORDINANCE OF THE CITY OF SATELLITE BEACH, BREVARD COUNTY, FLORIDA, ADOPTING FY 2011/2012 BUDGET; PROVIDING AN EFFECTIVE DATE (FIRST READING)

City Attorney Beadle read Ordinance No. 1045 by title only on first reading.

Ordinance No. 1045 would adopt all budgets as presented. Council has reviewed the budget in detail at several meetings.

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

ACTON: Vice-Mayor Chase MOVED, SECOND Councilman Fleis, to approve Ordinance No. 1045 on first reading. VOTE: ALL AYES. MOTION CARRIED.

Second reading of Ordinances 1044 and 1045 will be September 21, 2011.

CITIZEN RECOGNITIONS

INTRODUCTION OF GUESTS

The following individuals introduced themselves:

- Suzanne Hendricks lives in Brevard County and owns property in the City.
- Merrill Henderson has a daughter who lives in the City.

CITIZEN COMMENTS

The following individuals addressed Council:

- Brian Rodrigues, 689 South Hedgecock Square, spoke about his perceptions of the purchase of the Sunrise property, the use and storage of the vac truck, the salary and benefits of the Community Development Director, and the \$30,000 efficiency study. [Council suggested that Mr. Rodrigues meet with the City Manager to discuss his concerns.]

- Lloyd French, 240 Colonial Court, referred to the April 19, 2007, minutes of the A1A and DeSoto Property Citizens ad hoc Committee regarding the use of CRA funds and made allegations of staff and Council Member malfeasance regarding the use of CRA funds for Police and Fire services.

Mayor Ferrante advised Mr. French that the Council meeting is not the forum to address issues about an employee; those complaints should be taken to the City Manager.

- Mr. French omitted names and continued his allegations. He also questioned why only one item on the timeline to respond to the Joint Legislative Auditing Committee has been completed. [A complete copy of his statement is available in the City Clerk's Office.]

CITY COUNCIL COMMENTS

Councilman Higginson attended the meetings of the Retirement Boards of Trustees where they identified as a priority transferring City employees into the Florida Retirement System (FRS). If moved to the FRS, employees would contribute only 3% to the plan; they currently contribute 8% to the City's pension plan. The current pension plan is not sustainable and the Retirement Boards of Trustees should hire a pension consultant to provide guidance on the potential transfer to the FRS.

Councilman Higginson stated the City may have to look at raising the utility taxes to equal that of other communities and consider a roll forward millage rate next year in order to avoid cuts in public safety.

Councilman Rhodes attended the Samsons Island Park Committee where they are working on a master management plan for the island. He received the Final Survey and reviewed the wide range of comments and opinions and requested that the final presentation be scheduled for a future Council meeting. He reported someone may purchase the Satellite Arms property in the near future and a new business is moving into the old Bunky's building soon.

Vice-Mayor Chase recommended reviewing the Final Survey Report either at the Library or online to see the comments made by residents. Kudos to the grant writers for an outstanding document.

Mayor Ferrante announced that the complete Survey Report is on the City's website www.satellitebeachfl.org. The City has an election on November 8 to elect two Council Members. Five candidates have qualified to run for the two seats: Gregg Billman, Mark Brimer, Mike Chase, Sheryl Denan, and Pat Gibbons.

Mayor Ferrante recommended getting the information to transfer to the FRS as quickly as possible.

CITY ATTORNEY REPORT

City Attorney Beadle had nothing to report.

CITY MANAGER REPORT

City Manager Crotty reported the following:

Building Official John Stone has successfully completed the process and examination to become a Certified Floodplain Manager. The City participates in the voluntary Community Rating System relating to floodplain management/insurance. As a result of the Building Official and staff's efforts, the City's Community Rating System class has been improved to Class 8 from Class 9. Class 9 entitles all flood insurance holders to a 5% discount on insurance. By improving the rating to Class 8, all

residents who have flood insurance and are located in a Special Flood Hazard Area will receive an additional discount.

Establishment of a Dog Beach in unincorporated Brevard County will be discussed by the Board of County Commissioners on October 4.

Transfer of Pelican Beach Park and Hightower Beach Park is moving forward. All necessary documents have been sent to the State. When Brevard County receives them back, the Board of County Commissioners will hold one last meeting to finalize the paperwork.

ORDINANCE NO. 1046, AN ORDINANCE OF THE CITY OF SATELLITE BEACH, BREVARD COUNTY, FLORIDA, REPEALING CITY CODE SECTIONS 38-4 AIR GUNS, SLINGSHOTS, 38-5 DISCHARGE OF FIREARMS REQUIRES PERMIT, 38-6 LIABILITY OF FIREARM USER; PROVIDING FOR REPEAL OF ALL CONFLICTING ORDINANCES; PROVIDING AN EFFECTIVE DATE (FIRST READING)

City Attorney Beadle read Ordinance No. 1046 by title only on first reading.

Ordinance No. 1046 repeals three sections of the Satellite Beach Code relating to control of air guns, slingshots, discharge of firearms requires permit, and liability of firearm users.

City Attorney Beadle stated that the Legislature preempted regulation of firearms to the State. Any local government can be fined \$5,000, with the individual local government official personally responsible for the costs/fine. There may be more legislation or some modification in the future. The State does not want local government officials adopting an ordinance or enforcing an ordinance in the preempted field that can get in the way of State regulations.

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

- Michelle French, 240 Colonial Court, asked if discharging a paintball gun is against an ordinance of the City. [Attorney Beadle stated the State law regulates firearms and ammunitions. Firearms are defined as an item that issues a projectile based on an explosion.]
- Don McLendon, 695 Fountain Boulevard, asked if shooting his slingshot into the water is a criminal matter. [City Attorney Beadle said, based on the existing City Code, that would be a violation of the City Code.]

ACTION: Vice-Mayor Chase MOVED, SECOND Councilman Higginson, to approve Ordinance No. 1046 on first reading. VOTE: ALL AYES. MOTION CARRIED.

DISCUSS/TAKE ACTION ON CONTRACT FOR MEDICAL DIRECTOR

Fire Chief Don Hughes provided an overview of his September 1, 2011, memorandum regarding the Medical Director Agreement between the City of Satellite Beach and Dr. John McPherson for an annual amount of \$2,500. Chapter 401, Florida Statutes, requires all Advanced Life Support agencies to have a Medical Director to oversee Paramedic services. Dr. McPherson has been the department's Medical Director since 1995 and was awarded the Medical Director Contract through competitive bid by Brevard County. For the past ten years, the Medical Director services were paid by Brevard County under the First Responder Agreement and payment was deducted from the annual First Responder check. Under the new agreement, the City will pay the Medical Director and not have the funds deducted from the First Responder funds.

Vice-Mayor Chase asked about the insurance clause. [The City is adequately insured.]

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

- John Fergus, 135 Maple Drive, recommended removing the two-year continuation clause in the contract.

ACTION: Vice-Mayor Chase MOVED, SECOND Councilman Higginson, to amend Paragraph 3 of the Renewal of Contract by changing the first sentence to read “The Contract shall be awarded for a period of twelve (12) months, with the option to renew the contract for up to four (4) additional twelve (12) month periods, for a total of five (5) years” and approve the Contractual Service Specialist Agreement as amended. VOTE: ALL AYES. MOTION CARRIED.

DISCUSS/TAKE ACTION ON INTERLOCAL AGREEMENT FOR STORMWATER EDUCATION AND OUTREACH PROGRAM, BREVARD COUNTY REGION

Public Works Director Allen Potter presented an overview of his August 30, 2011, memorandum regarding comments by the Florida Department of Environmental Protection on the City’s year 2 annual report required by the NPDES stormwater permit, which emphasized the need to inform businesses and the general public of illicit discharge hazards. This educational process needs to be performed annually and documented. City staff has been working with Brevard County Natural Resources staff and other municipalities to develop a shared stormwater education program.

Mr. Potter presented the proposed interlocal Agreement for Stormwater Education and Outreach which will meet the NPDES BMPs and earn credit from FDEP toward mandated TMDL reductions.

Lisa Good, Director of Good Education Solutions, Inc., presented her experience and qualifications to lead this program. It will include adult programs, school programs, special events, science night productions, storm drain marking and aquatic based clean-up. Her “Live Blue Our Waters Our Future” program and marketing strategies was included in the Council packet.

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

ACTION: Councilman Higginson MOVED, SECOND Councilman Fleis, to approve the City’s participation in the Education and Outreach Interlocal Agreement at a cost of \$3,583 for FY 2011/2012, with the funds to come from Stormwater. VOTE: ALL AYES. MOTION CARRIED.

DISCUSS/TAKE ACTION ON SEVERANCE POLICY

City Manager Crotty stated that there will be a reduction in force and certain positions will be eliminated. He presented the Proposed Severance Policy, which will provide severance payment calculated at one week’s pay for each three years worked for full-time employees. Permanent part-time employees pay will be prorated. This policy, if approved, will be in effect until October 1, 2011.

Council discussed increasing the severance pay to one week for each two years worked or one week pay for each year worked.

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

- Bill Spiegelhalter, 490 Glenwood Avenue, asked if any consideration had been given to allowing

early retirement. [Yes, the City Manager's Secretary is eligible for early retirement.]

- Michelle French, 240 Colonial Court, asked where the money would come from for the severance package and how it would impact the budget. [The money will come out of the current FY 10/11 Budget. By the end of November, there will be a final reconciliation budget amendment and the funds for the severance package will have to be incorporated into it, whether it is transferred from one department to another, or if the Council will have to allocate it out of fund balance.]

ACTION: Vice-Mayor Chase MOVED, SECOND Councilman Higginson to change the calculation of severance pay from one week pay for each three years to one week pay for each two years and to approve the draft severance policy dated September 2, 2011, as amended. VOTE: ALL AYES. MOTION CARRIED.

APPOINTMENTS TO BOARDS

The City Clerk reported that no action was necessary at this meeting.

AGENDA ITEMS FOR NEXT MEETING

The City Manager presented a list of items for the September 21, 2011, regular meeting/budget public hearing.

APPROVAL OF MINUTES: AUGUST 17, 2011, MEETING

ACTION: Vice-Mayor Chase MOVED, SECOND Councilman Higginson to accept the minutes as presented. VOTE: ALL AYES. MOTION CARRIED.

The City Clerk reported that the word "not" had been left out of the last clause of statements made by Lloyd French at the July 20 meeting. She has corrected the sentence to read "Mr. French recommended nickel and dime cuts, not eliminating positions causing people to lose their jobs" in the Minute Book and on the web.

Mayor Ferrante adjourned the meeting at 7:47 p.m.

Barbara Montanaro, CMC
City Clerk