

**SPECIAL CALL CITY COUNCIL MINUTES
TUESDAY, SEPTEMBER 8, 2009 5:00 P.M.
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA**

1) CALL TO ORDER

Mayor Sabin Abell, excused absence; Vice Mayor Tom White, present; Councilmember Debra Fromang, present; Councilmember Bill Fish, present and Councilmember Kevin Sawnick, present
Also Present: James Gabbard, City Manager; Charles Vitunac, City Attorney and Tammy Vock, City Clerk.

2) PUBLIC HEARINGS:

A) An Ordinance of the City of Vero Beach, Florida, providing the Levy of Ad Valorem Taxes for the Fiscal Year 2009-2010 at a Millage Rate of 1.9367 which equates to \$1.9367 per \$1,000 of Assessed Property Value.

Vice Mayor White read the Ordinance by title only.

Mr. Steve Maillet, Finance Director, explained that this will be the first of two public hearings on this Ordinance which will set the millage rate.

Vice Mayor White opened and closed the public hearing at 5:02 p.m., with no one wishing to be heard.

Mr. Sawnick questioned if they take out everything from the transfer what would our millage rate be. He was referring to next year's budget.

Mr. James Gabbard, City Manager, explained that they are committed to this budget schedule this year. He recommended having a future workshop to discuss what thoughts that the City Council has on this. He said on the agenda for that workshop they will list the things that Council would like to discuss. He agreed that they needed to have some conversations about transfers.

Mr. Maillet added that one thing to help in the discussion would be if there is no transfer what would the equivalent millage rate have to be.

Mr. Gabbard said over the last four years or so, they were at seven and a half transfer and they have made a cautious effort to reduce that. He reiterated that should be the only topic that they should have on the agenda for the proposed workshop.

Mr. Maillet stated that this year's rate of 1.94 is under roll back. He said that the time to talk about changing the millage is at the budget hearings held in July. He said at this time Council could lower the millage rate if they wished to do so, but they could not raise it.

Vice Mayor White commented that for the last six to eight months they have been hurting because real estate has been down and because of the high cost of electricity some people have not wanted to move into the City. He said hopefully that will change in the beginning of the year.

Mr. Gabbard noted that he recently attended a meeting at the Chamber of Commerce and found out that someone who was thinking about moving into the community, they ask about the property taxes before they ask about utilities.

Mr. Fish expressed that he recently attended a Florida League of Cities Policy Committee meeting where he was informed that the TABOR tax for the bill of rights is going to be pushed through. The Florida League of Cities are working hard on this and will keep the cities updated.

Mr. Fish made a motion to approve the Ordinance on first public hearing and to hear the Ordinance for the second public hearing on September 15, 2009. Mr. Sawnick seconded the motion and it passed 4-0 with Mr. Sawnick voting yes, Mr. Fish yes, Mrs. Fromang yes, and Vice Mayor White yes.

B) An Ordinance of the City of Vero Beach, Florida, adopting the Annual Budget of the City for the Fiscal Year beginning October 1, 2009 and ending September 30, 2010, appropriating funds for the operating expenses, supplies, and personnel, and otherwise appropriating funds for the Efficient and Effective Operation of the Government of the City of Vero Beach and its Departments; such appropriations being from anticipated revenue; providing a means to amend the annual budget to carry forward the funding of purchase orders, work orders, and grants outstanding as of September 30, 2009; providing a means to amend the annual budget to reflect grants received after September 30, 2009; and authorizing the transfer of funds appropriated so long as the total combined appropriations shall not be increased thereby; providing an effective date.

Vice Mayor White read the Ordinance by title only.

Vice Mayor White opened the public hearing at 5:13 p.m.

Mr. Ken Daige reminded Council that there is a fifteen-percent unemployment rate in this County. He said by passing this budget they will probably be anticipating borrowing and rate increases. He is aware that there will be tremendous rate increases with the water and sewer. He suggested that the ratepayers be given a break, and have the increases spread out instead of all at once. He said that a lot of businesses are leaving the City because they can't make it financially. He also said that people are trying to make ends meet with their electric bills. He asked Council to please take a look at the capital projects and only do what is necessary.

Vice Mayor White expressed that they cut the budget by approximately \$21 million dollars.

Mr. Brian Heady noted that there are two people sitting on the Council who are also candidates for the next election. He is also a candidate and probably the thing for him to do would be to come up to the podium and scream and holler and tell Council that they are wasting money because that is what the public wants to hear. He said there are people leaving Vero Beach because some of the fees are wrong. The only way citizens are going to get any relief is if they don't elect the same Council.

At this point, Mr. Fish called for a point of order.

Mr. Heady asked what is his point of order. Mr. Fish told him he called point of order because Mr. Heady is campaigning.

Mr. Charles Vitunac, City Attorney, ruled that Mr. Heady was discussing the City budget and had not gone over the line yet.

Mr. Heady continued by saying that if Mr. Fish does not like what someone is saying, he screams “point of order.”

Vice Mayor White closed the public hearing at 5:23 p.m., with no one else wishing to be heard.

Mr. Sawnick commented that the budget is located on the City’s web page for anyone that wished to look at it.

Vice Mayor White expressed that they have cut things to the bone in the budget and it is a very tough budget.

Mr. Gabbard stated that the public is allowed to attend their budget hearings and give their input. He said that if there is anyone that has some questions or ideas on how they could reduce the budget any further to please let him know.

Mrs. Fromang commented that the citizens need to tell Council what they want (referring to recreation activities) etc. She explained that they needed to have the water and rate increase approved in October in order to be able to pay back the stimulus money that they are receiving. They must be able to show proof that there is money to pay back the loan.

Mr. Fish felt that by having their budget on-line was a major step in the right direction for the City.

Mr. Sawnick felt that it would be nice if they could wait until January to increase the water and sewer rates, but from what he is hearing from staff is that they can’t do that.

Mrs. Fromang wanted to make sure that she was correct in saying that they could not hold off on having the rates for the water and sewer increased.

Mr. Rob Bolton, Water and Sewer Director, explained that in the loan application they have put in the rate structure that they are proposing. This is how they were able to show their financial stability in order to pay back those loans. He said that they need to have the rate increase implemented by October. He briefly went over the stages of increases that will be necessary in order to pay back all the loans and capital projects that they have coming up.

Mr. Sawnick made a motion to approve the Ordinance on first public hearing and that the second public hearing be heard on September 15, 2009. Mr. Fish seconded the motion and it passed 4-0 with Mr. Sawnick voting yes, Mr. Fish yes, Mrs. Fromang yes, and Vice Mayor White, yes.

3) CITY MANAGER’S MATTERS:

A) Award of Bid No. 320-09/JO – Bay Drive and River Drive Bridge Replacements

Mr. Monte Falls, Director of Public Works, explained that the Bay Drive and River Drive bridges serving the Riomar Bay Subdivision were constructed about fifty years ago. In 2004 the bridges suffered damage from hurricanes Frances and Jeanne. Prior to that they were identified by the

Florida Department of Transportation as being functionally obsolete and structurally deficient. In October 2008, the City authorized Bridge Design Associates, Inc., to prepare plans for the replacement of these bridges. The plans were completed and advertised for bidding. There were four bids received with the lowest bid coming from Misener Marine Construction. They compared the cost of these bridges with recently constructed bridges in Indian River County and found them to be comparable when based on dollars per square foot of the bridge. Since these bridges offer the only access to the Riomar Bay Subdivision their replacement will require that traffic be maintained by demolishing half of each existing bridge and constructing half of each new bridge while traffic is maintained on the remaining half of each existing bridge. Once construction on the first half of the new bridges is completed traffic will be shifted and the second half of the demolition and construction can occur. He recommended award of the Bay Drive and River Drive Bridge Replacement contract be given to Misener Marine Construction, Inc., of Tampa Florida. He said that he has received good references for the firm from both from the FDOT and the County.

Mr. Fish noted that this is the same company that did the bridge in Sebastian and they did a good job.

Mr. Fish made a motion to award the contract to Misener Marine Construction, Inc. of Tampa, Florida. Mrs. Fromang seconded the motion and it passed unanimously.

B) Award of Bid No. 300-09/PW – Force Main from Wastewater Treatment Plant to Water Treatment Plant and Reuse Water Main from Royal Palm Pointe to Country Club Drive Project No. WS07014

Mr. Bolton reported that this was for the route for the 24” force main (excess reclaimed water) along Indian River Boulevard and the Main Canal from the Wastewater Plant to the Water Plant. A 24” reuse main (pressurized) will also be installed from the intersection of Indian River Boulevard north to the Main Canal and west along the canal to the Vero Beach Country Club. This reuse main will provide reuse water to the Vero Beach Golf Course when available and as a future connection for reuse supplementation. In addition, the water lines along Vero Isles will be replaced along with the fire hydrants. He recommended that Council approve the bid to the low bidder who is S.P.S. Contracting.

Mrs. Fromang made a motion to approve the Award of Bid No. 300-09/PW to S.P.S. Contracting, Inc. Mr. Sawnick seconded the motion and it passed unanimously.

C) Ratification of Collective Bargaining Agreement

Mr. Robert Anderson, Human Resource’s Director, explained that the City of Vero Beach and Teamsters Local Union No. 769 have reached an agreement to extend for one year the current collective bargaining agreement between the two parties covering wages, hours, terms and conditions of employment. The purpose of the agreement is to codify previous verbal agreements the parties have reached relating to the Collective Bargaining Agreement and the addition of the Furlough Policy through the amendment of the City of Vero Beach Personnel Rules. The City and the Union agree to extend the terms and conditions of the existing Collective Bargaining Agreement for one year with the exception that employee’s wages and longevity pay will remain the same as they are on September 30, 2009. They further agree that

the City will continue to bear the entire cost of the single health insurance premium for employees and the City will bear the entire cost of the increase for the dependent portion of the premium.

Vice Mayor White complimented the City and the Teamsters with the help of Steve Myers in coming up with this fair agreement.

Mr. Fish added that 86% of the votes were in favor of the agreement.

Mr. Sawnick applauded the City and the Union for negotiating this agreement.

Mr. Fish made a motion to approve the Memorandum of Agreement (attached to the minutes). Mr. Sawnick seconded the motion and it passed unanimously.

4. RESOLUTIONS FOR ADOPTION WITHOUT PUBLIC HEARINGS

- A) A Resolution of the City of Vero Beach, Florida, adopting the Mandatory Budget required Furlough Leave Program and the Layoff and Recall Program as amendments to the City of Vero Beach Personnel Rules and Directing the City Manager to activate the Mandatory Budget-required Furlough leave program for a period of time beginning October 1, 2009 and ending September 30, 2010 unless terminated earlier or extended by direction of the City Council; providing for an effective date.**

Vice Mayor White read the Resolution by title only.

Mrs. Peggy Lyon, Assistant City Attorney, referred to page 3 of 5, and explained that this Resolution is for a mandatory budget required Furlough Leave Program and the Layoff and Recall Program. She said attached to the Resolution is the Layoff and Recall Program that will replace the current Reduction in Force or Layoff of section 14.07 of the Personnel Rules for the City. She said if there was a chance that the furloughs are in place and they are not needed anymore then Council can terminate the policy or if it is needed more than one year they can renew it.

Mrs. Fromang referred to page 3 of 5, number 4, where it states that the City Council hereby determines that directing the City Manager to activate the Furlough Program is a necessary action under the current budgetary shortfall in revenue, and one that has the least impact upon the delivery of municipal services, the tax rate for the City of Vero Beach citizens, and the affected City employees. She asked how much the furloughs are saving them.

Mr. Maillet explained that in the General Fund there was a two million dollar shortfall. He said that the rate increase will help maintain the electric system and cover some of the short falls in the Enterprise Fund.

Mrs. Fromang recalled that she asked Mr. Maillet to supply her with some information.

Mr. Maillet told her that he did not have those numbers with him.

Mrs. Fromang wanted to see those numbers attached to this Resolution. Mr. Maillet told her that the furloughs were just one element of the budget process. Mrs. Fromang agreed with him, but felt that they needed to know how much that amount is.

Mr. Anderson went over a summary of personnel cost savings (please see attached). He said that this summary does not include fringe benefits and that it just includes salary. He said that they have laid off two employees and that they anticipate having to lay off two more. He said that they transferred one person from the Recreation department to the Water and Sewer Department. Also, there are still ten open positions that they don't anticipate filling. The bottom line is implementation of the furlough program will save them \$1,017,000 and if you include the reduction in police overtime, which amounts to \$200,000, then the total savings amounts to \$3,146,303.

Mr. Gabbard expressed that they now have a balanced budget. They have taken care of the projected budget shortfall with the budget cuts. He added that they will be monitoring the situation monthly and will also be looking at positions and services, which will be affected in the coming years.

Mr. Vitunac explained that when they prepared this Resolution it was for 2009-2010 and there were projected shortfalls. They have worked together to get the numbers down to zero with the help of the furlough program.

Mrs. Fromang stated that she wants to have the public tell her what they want and the services that they want.

Mr. Sawnick expressed that furloughs are tough and these are tough times.

Mr. Fish thanked the employees for agreeing to take furlough days.

Mr. Anderson recommended to Council that they adopt these changes to the personnel rules.

Mr. Fish made a motion to approve the Resolution. Mr. Sawnick seconded the motion and it passed 4-0 with Mr. Sawnick voting yes, Mr. Fish yes, Mrs. Fromang yes, and Vice Mayor White yes.

Vice Mayor White announced that Coffee with the Council will be on September 18th. This month it is being held at the Riverside Theater. The event starts at 9:00 a.m.

Mr. Fish reported on the County Commission meeting that he attended this morning. He said that the Board of Commissioners would like Council to discuss the water system, which he said they could do at a future meeting.

Tonight's meeting adjourned at 6:07 p.m.

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