

**MINUTES
ORMOND BEACH CITY COMMISSION
HELD AT CITY HALL COMMISSION CHAMBERS**

September 17, 2013

7:00 PM

Commission Chambers

Present were: Mayor Ed Kelley, Commissioners James Stowers, Troy Kent, Rick Boehm and Bill Partington, City Manager Joyce Shanahan, City Attorney Randy Hayes, and City Clerk Scott McKee.

A G E N D A

- 1. CALL TO ORDER**
- 2. INVOCATION**
- 3. PLEDGE OF ALLEGIANCE**
- 4. ADOPTION OF FY 2013-2014 MILLAGE RATES AND BUDGET**
 - A. RESOLUTION NO. 2013-157** : A RESOLUTION ESTABLISHING THE FINAL MILLAGE RATES TO BE LEVIED FOR FISCAL YEAR 2013-2014; DIRECTING CERTIFICATION; EXPRESSING LEGISLATIVE INTENT; AND SETTING FORTH AN EFFECTIVE DATE.
Staff Contact: Kelly McGuire, Finance Director (386-676-3226)
 - B. ORDINANCE NO. 2013-52** : AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE 2013-2014 FISCAL YEAR BEGINNING OCTOBER 1, 2013 AND ENDING SEPTEMBER 30, 2014; REPEALING ALL INCONSISTENT ORDINANCES OR PARTS THEREOF; AND SETTING FORTH AN EFFECTIVE DATE. **(SECOND READING)**
Staff Contact: Kelly McGuire, Finance Director (386-676-3226)
- 5. AUDIENCE REMARKS - REGARDING ITEMS NOT ON THE AGENDA**
- 6. APPROVAL OF MINUTES**
 - A. Minutes from City Commission meeting – September 3, 2013
- 7. COMMUNITY REDEVELOPMENT AGENCY**
 - A. RESOLUTION NO. 2013-158** : A RESOLUTION OF THE CITY COMMISSION, INDIVIDUALLY AND ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE CENTRAL BUSINESS DISTRICT AND ADJACENT AREAS, AUTHORIZING THE EXECUTION OF A SERVICE AGREEMENT BETWEEN THE CITY/AGENCY AND ORMOND BEACH MAIN STREET, INC., FOR THE PROMOTION OF ECONOMIC, PHYSICAL AND AESTHETIC REDEVELOPMENT AND MAINTENANCE OF THE ORMOND BEACH MAIN STREET DISTRICT; AND SETTING FORTH AN EFFECTIVE DATE. **(SEE ITEM 8A)**
Staff Contact: Ric Goss, Planning Director (386-676-3238)
- 8. CONSENT AGENDA**

The action proposed is stated for each item on the Consent Agenda. Unless a City Commissioner removes an item from the Consent Agenda, no discussion on individual items will occur and a single motion will approve all items.

- A. **RESOLUTION NO. 2013-158** : A RESOLUTION OF THE CITY COMMISSION, INDIVIDUALLY AND ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE CENTRAL BUSINESS DISTRICT AND ADJACENT AREAS, AUTHORIZING THE EXECUTION OF A SERVICE AGREEMENT BETWEEN THE CITY/AGENCY AND ORMOND BEACH MAIN STREET, INC., FOR THE PROMOTION OF ECONOMIC, PHYSICAL AND AESTHETIC REDEVELOPMENT AND MAINTENANCE OF THE ORMOND BEACH MAIN STREET DISTRICT; AND SETTING FORTH AN EFFECTIVE DATE.

Staff Contact: Ric Goss, Planning Director (386-676-3238)

- B. **RESOLUTION NO. 2013-159** : A RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT BETWEEN THE CITY AND THE VOLUSIA TRANSPORTATION PLANNING ORGANIZATION IN SUPPORT OF PLANNING AND FUNDING OF VOLUSIA COUNTY TRANSPORTATION SYSTEM PROJECTS; AUTHORIZING THE EXPENDITURE OF FUNDING; AND SETTING FORTH AN EFFECTIVE DATE.

Staff Contact: Ric Goss, Planning Director (386-676-3238)

- C. **RESOLUTION NO. 2013-160** : A RESOLUTION AUTHORIZING THE EXECUTION OF A SERVICE CONTRACT BETWEEN THE CITY AND THE ORMOND BEACH CHAMBER OF COMMERCE; SETTING FORTH AN EFFECTIVE DATE.

Staff Contact: Joe Mannarino, Economic Development Director (386-676-3266)

- D. **RESOLUTION NO. 2013-161** : A RESOLUTION AUTHORIZING THE EXECUTION OF A COOPERATIVE ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE CITY AND TEAM VOLUSIA ECONOMIC DEVELOPMENT CORPORATION; SETTING FORTH AN EFFECTIVE DATE.

Staff Contact: Joe Mannarino, Economic Development Director (386-676-3266)

- E. **RESOLUTION NO. 2013-162** : A RESOLUTION AUTHORIZING THE EXECUTION OF AN ENGAGEMENT LETTER BETWEEN THE CITY AND PENNINGTON P.A. REGARDING LEGISLATIVE LOBBYING SERVICES FOR THE 2014 FLORIDA LEGISLATIVE SESSION; AND SETTING FORTH AN EFFECTIVE DATE.

Staff Contact: Joe Mannarino, Economic Development Director (386-676-3266)

- F. **RESOLUTION NO. 2013-163** : A RESOLUTION PURSUANT TO SECTION 14-98, LIENS, OF THE CITY OF ORMOND BEACH CODE OF ORDINANCES AUTHORIZING THE IMPOSITION OF A LIEN AGAINST THE REAL PROPERTY OWNED BY ELEAZAR ZATARAIN AND SANDY RAMIREZ LOCATED AT 16 BROOKWOOD DRIVE, ORMOND BEACH, VOLUSIA COUNTY, FLORIDA (PARCEL ID NO. 4220-05- 00-0040) FOR COSTS INCURRED BY THE CITY TO TERMINATE OR ABATE A SITE MAINTENANCE VIOLATION; AND SETTING FORTH AN EFFECTIVE DATE.

Staff Contact: Joanne Naumann, Neighborhood Improvement Manager (386-615-7069)

- G. **RESOLUTION NO. 2013-164** : A RESOLUTION PURSUANT TO SECTION 14-98, LIENS, OF THE CITY OF ORMOND BEACH CODE OF ORDINANCES AUTHORIZING THE IMPOSITION OF A LIEN AGAINST THE REAL PROPERTY OWNED BY NORMAN M. BROWN AND PAMELA J. BROWN, LOCATED AT 77 PUTNAM AVENUE, ORMOND BEACH, VOLUSIA COUNTY, FLORIDA (PARCEL ID NO. 4240-01-17-0100) FOR COSTS INCURRED BY THE CITY TO TERMINATE OR ABATE A SITE MAINTENANCE VIOLATION; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Joanne Naumann, Neighborhood Improvement Manager (386-615-7069)*
- H. **RESOLUTION NO. 2013-165** : A RESOLUTION PURSUANT TO SECTION 14-98, LIENS, OF THE CITY OF ORMOND BEACH CODE OF ORDINANCES AUTHORIZING THE IMPOSITION OF A LIEN AGAINST THE REAL PROPERTY OWNED BY FULL GOSPEL NATIVE MISSIONARY, INC. LOCATED AT 350 SCOTT DRIVE, ORMOND BEACH, VOLUSIA COUNTY, FLORIDA (PARCEL ID NO. 4220-37-00-0010) FOR COSTS INCURRED BY THE CITY TO TERMINATE OR ABATE A SITE MAINTENANCE VIOLATION; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Joanne Naumann, Neighborhood Improvement Manager (386-615-7069)*
- I. **RESOLUTION NO. 2013-166** : A RESOLUTION AUTHORIZING THE ACCEPTANCE OF A GRANT AWARD FROM THE STATE OF FLORIDA, OFFICE OF THE ATTORNEY GENERAL REGARDING FUNDING FOR THE CITY'S VICTIM'S ADVOCATE PROGRAM; AUTHORIZING THE EXECUTION OF ALL DOCUMENTS INCIDENTAL THERETO, INCLUDING ANY CONTRACT NECESSARY FOR THE CITY TO ACCEPT THE GRANT AWARD; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Loretta Moisiso, Grants Coordinator/PIO (386-676-3315)*
- J. **RESOLUTION NO. 2013-167** : A RESOLUTION AUTHORIZING THE EXECUTION OF A LOCAL AGENCY PROGRAM SUPPLEMENTAL AGREEMENT BETWEEN THE CITY AND FLORIDA DEPARTMENT OF TRANSPORTATION REGARDING THE CONSTRUCTION OF AUDIBLE PEDESTRIAN SIGNALS AT THREE INTERSECTIONS ALONG SR5A; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *John Noble, City Engineer (386-676-3269)*
- K. **RESOLUTION NO. 2013-168** : A RESOLUTION ACCEPTING A PROPOSAL SUBMITTED BY BROWN & BROWN OF FLORIDA, INC., FOR THE PURCHASE OF PROPERTY, INLAND MARINE, CRIME, AUTO PHYSICAL DAMAGE, EXCESS WORKERS' COMPENSATION, COMMERCIAL GENERAL LIABILITY, CRIME, ACCIDENTAL DEATH & DISMEMBERMENT, PROFESSIONAL LIABILITY, AND TULIP (SPECIAL EVENT) INSURANCE COVERAGE; AUTHORIZING THE PAYMENT THEREFOR; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Shelly Arzola, Human Resources Director (386-676-3202)*
- L. **RESOLUTION NO. 2013-169** : A RESOLUTION ACCEPTING A PROPOSAL FROM FLORIDA HEALTH CARE PLANS, INC. FOR THE PROVISION OF EMPLOYEE HEALTH/MEDICAL BENEFITS SERVICES; AUTHORIZING THE EXECUTION OF A CONTRACT AND PAYMENT THEREFOR; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Shelly Arzola, Human Resources Director (386-676-3202)*

- M. **RESOLUTION NO. 2013-170** : A RESOLUTION ACCEPTING A PROPOSAL FROM BLUE CROSS BLUE SHIELD OF FLORIDA, INC. FOR THE PROVISION OF EMPLOYEE DENTAL INSURANCE BENEFITS SERVICES; AUTHORIZING THE EXECUTION OF A CONTRACT AND PAYMENT THEREFOR; REJECTING ALL OTHER PROPOSALS; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Shelly Arzola, Human Resources Director (386-676-3202)*
- N. **RESOLUTION NO. 2013-171** : A RESOLUTION ACCEPTING A PROPOSAL FROM HUMANA, INC. FOR THE PROVISION OF EMPLOYEE VISION INSURANCE BENEFITS; AUTHORIZING THE EXECUTION OF A CONTRACT AND PAYMENT THEREFOR; REJECTING ALL OTHER PROPOSALS; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Shelly Arzola, Human Resources Director (386-676-3202)*
- O. **RESOLUTION NO. 2013-172** : A RESOLUTION ACCEPTING A PROPOSAL FROM BLUE CROSS BLUE SHIELD OF FLORIDA, INC. FOR THE PROVISION OF EMPLOYEE LIFE INSURANCE BENEFITS SERVICES; AUTHORIZING THE EXECUTION OF A CONTRACT AND PAYMENT THEREFOR; REJECTING ALL OTHER PROPOSALS; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Shelly Arzola, Human Resources Director (386-676-3202)*
- P. **RESOLUTION NO. 2013-173** : A RESOLUTION ACCEPTING A PROPOSAL FROM BLUE CROSS BLUE SHIELD OF FLORIDA, INC. FOR THE PROVISION OF EMPLOYEE LONG TERM DISABILITY INSURANCE BENEFITS SERVICES; AUTHORIZING THE EXECUTION OF A CONTRACT AND PAYMENT THEREFOR; REJECTING ALL OTHER PROPOSALS; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Shelly Arzola, Human Resources Director (386-676-3202)*
- Q. **RESOLUTION NO. 2013-174** : A RESOLUTION ACCEPTING A PROPOSAL FROM A.M. WEIGEL CONSTRUCTION, INC. TO PROVIDE DESIGN AND CONSTRUCTION SERVICES REGARDING THE CONSTRUCTION OF A MULTI-USE BUILDING AT THE ORMOND BEACH SPORTS COMPLEX; AUTHORIZING THE EXECUTION OF A WORK AUTHORIZATION THERETO; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Robert Carolin, Leisure Services Director (386-676-3279)*
- R. **RESOLUTION NO. 2013-175** : A RESOLUTION APPOINTING ALLEN HARRELL AS A MEMBER TO SERVE AS A COMMISSIONER OF THE ORMOND BEACH HOUSING AUTHORITY; SETTING FORTH TERM AND CONDITIONS OF SERVICE; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Scott McKee, City Clerk (386-676-3340)*
- S. **RESOLUTION NO. 2013-176** : A RESOLUTION AMENDING THE DATES AND TIMES FOR THE HOLDING OF REGULAR MEETINGS OF THE CITY COMMISSION OF THE CITY OF ORMOND BEACH, FLORIDA, FOR THE MONTH OF DECEMBER, 2013; PROVIDING FOR EXCEPTIONS THERETO; SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Scott McKee, City Clerk (386-676-3340)*

- T. **RESOLUTION NO. 2013-177** : A RESOLUTION AUTHORIZING THE EXECUTION OF A GRANT AGREEMENT BETWEEN THE CITY AND THE FEDERAL AVIATION ADMINISTRATION REGARDING THE TAXIWAY G IMPROVEMENTS PROJECT; AND SETTING FORTH AN EFFECTIVE DATE.

Staff Contact: Joe Mannarino, Economic Development Director
(386-676-3266)

- U. **RFP 2013-37 Sports Officials, Umpires and Scorekeepers**

Staff Contact: Robert Carolin, Leisure Services Director (386-676-3279)

Disposition: Approve as recommended in the City Manager memorandum dated September 17, 2013.

- V. **Disposal of Mobile Home at Ormond Beach Sports Complex**

Staff Contact: Robert Carolin, Leisure Services Director (386-676-3279)

Disposition: Approve as recommended in the City Manager memorandum dated September 17, 2013.

- W. **Riverside Drive Closures 2013/14**

Staff Contact: Robert Carolin, Leisure Services Director (386-676-3279)

Disposition: Approve as recommended in the City Manager memorandum dated September 17, 2013.

- X. **2014 City of Ormond Beach Legislative Action Agenda**

Staff Contact: Joe Mannarino, Economic Development Director
(386-676-3266)

Disposition: Approve as recommended in the City Manager memorandum dated September 17, 2013.

9. PUBLIC HEARINGS

- A. **ORDINANCE NO. 2013-60** : AN ORDINANCE AUTHORIZING THE EXECUTION AND ISSUANCE OF A SECOND AMENDED DEVELOPMENT ORDER FOR "NOVA SHOPPES" PLANNED BUSINESS DEVELOPMENT LOCATED AT 175 SOUTH NOVA ROAD, BY ALLOWING AS A CONDITIONAL USE A PERMANENT COSMETICS USE, DEFINED AS A TATTOO PARLOR BY THE ORMOND BEACH LAND DEVELOPMENT CODE, UNDER CERTAIN CONDITIONS; RATIFYING AND AFFIRMING THE DEVELOPMENT ORDER APPROVED BY RESOLUTION 2004-121 AND AMENDED BY RESOLUTION 2008-54; ESTABLISHING CONDITIONS AND EXPIRATIONS OF APPROVAL; AND SETTING FORTH AN EFFECTIVE DATE.

Staff Contact: Ric Goss, Planning Director (386-676-3238)

- B. **ORDINANCE NO. 2013-61** : AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY INTO THE CITY OF ORMOND BEACH, SAID PROPERTY CONSISTING OF APPROXIMATELY 167.47± ACRES AND BEING GENERALLY LOCATED ALONG THE SOUTH SIDE OF STATE ROAD 40 APPROXIMATELY 5,102 LINEAR FEET EAST OF STATE ROAD 40 AND INTERSTATE 95 RAMP BEING COMMONLY LOCATED AT 104-513 CHELSEA PLACE AVENUE, 300-396 CHESHAM STREET, 1200-1225 DRAYCOTT STREET, AND 1201-1234 REGENTS STREET; INCLUDING THAT CERTAIN PORTION OF STATE ROAD 40 RIGHT-OF-WAY ABUTTING THE PROPERTY; REDEFINING THE TERRITORIAL BOUNDARIES OF THE CITY OF ORMOND BEACH TO INCLUDE THE PROPERTY; REDESIGNATING THE BOUNDARIES OF ZONE 4 OF THE CITY OF ORMOND BEACH TO INCLUDE THE PROPERTY; SETTING FORTH ZONING, PRIVILEGES AND OBLIGATIONS REGARDING THE PROPERTY; PROVIDING FOR TRANSMISSION; PROVIDING FOR SEVERABILITY; AND SETTING

FORTH AN EFFECTIVE DATE.

Staff Contact: Ric Goss, Planning Director (386-676-3238)

10. SECOND READING OF ORDINANCES

- A. **ORDINANCE NO. 2013-53** : AN ORDINANCE AMENDING THE FUTURE LAND USE ELEMENT OF THE COMPREHENSIVE PLAN BY AMENDING THE FUTURE LAND USE MAP TO CHANGE THE DESIGNATION OF ONE (1) PARCEL OF REAL PROPERTY TOTALING +1.25-ACRES LOCATED AT 250 WILLIAMSON BOULEVARD, FROM VOLUSIA COUNTY "COMMERCIAL" TO ORMOND BEACH "GENERAL COMMERCIAL"; PROVIDING FOR CONFLICT; AUTHORIZING TRANSMITTAL; AND SETTING FORTH AN EFFECTIVE DATE. **(SECOND READING)**

Staff Contact: Ric Goss, Planning Director (386-676-3238)

- B. **ORDINANCE NO. 2013-54** : AN ORDINANCE AMENDING SECTIONS 22-23, 22-24 AND 22-71 OF CHAPTER 22, WATER AND SEWERS, THE CODE OF ORDINANCES, BY INCREASING THE MINIMUM WATER AND SEWER RATES; REPEALING ALL INCONSISTENT ORDINANCES OR PARTS THEREOF; AND SETTING FORTH AN EFFECTIVE DATE. **(SECOND READING)**

Staff Contact: Kelly McGuire, Finance Director (386-676-3226)

- C. **ORDINANCE NO. 2013-56** : AN ORDINANCE OF THE CITY OF ORMOND BEACH, FLORIDA, RELATIVE TO THE GENERAL EMPLOYEES' PENSION PLAN, AMENDING ARTICLE I, IN GENERAL, OF CHAPTER 16, PENSIONS AND RETIREMENT, OF THE CODE OF ORDINANCES; AMENDING SECTION 16-1, DEFINITIONS BY AMENDING THE DEFINITION OF "CREDITED SERVICE"; AMENDING SECTION 16-15, MAXIMUM PENSION; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE. **(SECOND READING)**

Staff Contact: Kelly McGuire, Finance Director (386-676-3226)

- D. **ORDINANCE NO. 2013-57** : AN ORDINANCE OF THE CITY OF ORMOND BEACH, FLORIDA, AMENDING ARTICLE IV, POLICE OFFICERS' PENSION TRUST FUND, OF CHAPTER 16, PENSIONS AND RETIREMENT, OF THE CODE OF ORDINANCES; AMENDING SECTION 16-71, DEFINITIONS BY AMENDING THE DEFINITION OF "CREDITED SERVICE"; AMENDING SECTION 16-85, MAXIMUM PENSION; PROVIDING FOR SEVERABILITY OF PROVISIONS; PROVIDING FOR CODIFICATION; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE. **(SECOND READING)**

Staff Contact: Kelly McGuire, Finance Director (386-676-3226)

- E. **ORDINANCE NO. 2013-58** : AN ORDINANCE OF THE CITY OF ORMOND BEACH, FLORIDA, AMENDING ARTICLE III, FIREFIGHTERS' PENSION TRUST FUND, OF CHAPTER 16, PENSIONS AND RETIREMENT, OF THE CODE OF ORDINANCES; AMENDING SECTION 16-40, DEFINITIONS AMENDING THE DEFINITION OF "CREDITED SERVICE"; AMENDING SECTION 16-54, MAXIMUM PENSION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE. **(SECOND READING)**

Staff Contact: Kelly McGuire, Finance Director (386-676-3226)

11. DISCUSSION ITEMS

- A. **Hours of Alcohol Sales on Sunday**

Staff Contact: Joyce Shanahan, City Manager (386-676-3200)

12. REPORTS, SUGGESTIONS, REQUESTS

13. ADJOURNMENT

Item #1 – Meeting Call to Order

Mayor Kelley called the meeting to order at 7:01 p.m.

Item #2 – Invocation

Reverend Willie Branch gave the invocation.

Item #3 – Pledge of Allegiance

Mayor Kelley led the Pledge of Allegiance.

Item #4A – FY 2013-14 Proposed Millage Rates and Tentative Budget

City Clerk Scott McKee read by title only:

RESOLUTION NO. 2013-157

A RESOLUTION ESTABLISHING THE FINAL MILLAGE RATES TO BE LEVIED FOR FISCAL YEAR 2013-2014; DIRECTING CERTIFICATION; EXPRESSING LEGISLATIVE INTENT; AND SETTING FORTH AN EFFECTIVE DATE.

Mayor Kelley explained that, per *Florida Statutes*, he was required to state that the millage rate for the City of Ormond Beach necessary to fund the fiscal year 2013-2014 budget was 4.1181 mills. Mayor Kelley stated that the rate was four percent above the rolled back rate of 3.9596 mills. He stated that the debt service millage rates were 0.1140 for the 2002 General Obligation Bond Sinking Fund and 0.0470 for the 2003 General Obligation Bond Sinking Fund and 0.1450 for the 2010 General Obligation Bond Sinking Fund.

Mayor Kelley stated that there had been at least six public meetings involving discussion of the budget and also Budget Advisory Board meetings. He explained that during that time members of the public were invited to participate in the budgetary process and provide their thoughts to the city. He noted that in 2000 he paid \$451.06 in city taxes and in 2013 he would be paying \$573. He stated that an increase of \$120 over a 13 year period amounted to less than \$10 a year for the privilege and opportunity to live in Ormond Beach. He explained that it was estimated that a person living in Ormond Beach with a property with a taxable value of \$150,000 and a \$50,000 homestead exemption may have their taxes raised by \$10 this year.

Mayor Kelley opened the public hearing.

Mr. Alan Burton, 915 Ocean Shore Boulevard, stated that he appreciated Mayor Kelley confirming that the property taxes would be increased that year. He asked Mayor Kelley if property taxes were directly related to the real estate market.

Mayor Kelley stated that property taxes were based on assessed value, which was set by the Volusia County Property Appraiser.

Mr. Burton asked what the market analysis was for real estate in Ormond Beach over the past two years.

Mayor Kelley stated that was not something that the city's tax rate was based on. He stated that property taxes in the city were less last year than they were in 2004.

Mr. Burton asked what the ratio between the base and service economy was for the City of Ormond Beach.

Mayor Kelley stated that was not something that factored into the setting of the millage rate.

Mr. Burton asked what the trends had been in home financing for the past year for refinancing or non-new home purchases in Ormond Beach.

Mayor Kelley stated that since February it had risen about 1% on a 30-year mortgage, it had risen a little over four tenths of a point on a 15-year mortgage, and the variable mortgage had barely risen.

Mr. Burton confirmed that Mayor Kelley looked at the home financing trends for the city.

Mayor Kelley reiterated that he researched all those numbers.

Mr. Burton asked what the projection for home financing was for the next year in Ormond Beach.

Mayor Kelley stated that it would probably depend on what was released by the Federal Reserve and whether or not they started reducing some of the third round of quantitative easing. He stated that, according to reports that day, it was expected that mortgage rates would not be touched because they were so critical. He noted that about \$10-15 billion of support was expected to be withdrawn.

Mr. Burton asked Mayor Kelley if he was saying that the Federal Reserve had an impact on financing for homes in Ormond Beach.

Commissioner Partington stated that he would say that qualified experts would tend to disagree on that. He asked what Mr. Burton's purpose was with his line of questioning and if he was trying to make a particular statement.

Mr. Burton stated that he was asking questions to ascertain the due diligence that the Commission performed to increase the city's taxes. He stated that Mayor Kelley's answers were fine with him and he appreciated them. He asked what the net worth of the City of Ormond Beach was; whereby, Mayor Kelley stated that was not relevant to the current discussion.

Mr. Burton stated that he had asked the same question last year and that Mayor Kelley and Ms. Shanahan had answered. He asked what the net worth was last year and what it was this year.

Ms. Joyce Shanahan, City Manager, stated that all of the information Mr. Burton was seeking was available in the budget.

Mr. Burton asked what the city's unfunded liabilities were last year and how much they would be in the upcoming year.

Mayor Kelley stated that the only unfunded liabilities the city had were related to pensions. He stated that the unfunded liabilities were about \$38 million last year. He explained that the pensions were driving a large portion of the city's costs and the public should be aware of that. He noted that \$5.2 million of the budget was to fund the pensions. He explained that if the state legislature could ease regulations on the city, then they could freely negotiate and make some adjustments. He noted that in 2001 the city had to contribute a little over \$200,000 to fund the pensions and last year the contribution was \$5.5 million. He stated that headway had been made with the general employees' union who agreed to a defined contribution plan for new employees. He stated that until the state legislature gave cities the freedom to negotiate pensions that was all that they could do. He noted that the city's unfunded liabilities had dropped about \$2 million from the previous year.

Mr. Burton again asked the city's net worth.

Ms. Shanahan stated that the city's net worth was determined each year at the end of the fiscal year. She noted that the city's current fiscal year did not end until September 30, 2013. She explained that until the auditors completed their review after the end of the fiscal year, the city would officially have the same net worth as it did last year. She stated that once the audit was finished that information would be presented to the City Commission in February. She noted that all of the information that Mr. Burton was seeking was contained in a comprehensive budget document that was on the city's website and included in the agenda packet for the meeting. She explained that the city also produced an executive budget summary that was mailed to every subscriber to the News-Journal on Sunday a week prior to the budget hearing. She noted that the summary was also posted on the city's website and provided to all citizens who received a copy of the city's weekly review. She stated that the City Commission had been exceeding transparent in providing documents and information to the community and

noted that anyone with the ability to access a computer or come into City Hall had free right and access to that budget information.

Mayor Kelley stated that Ms. Shanahan was absolutely correct. He stated that in addition to contacting the city, citizens could also contact him or any member of the Commission for information. He noted that he was willing to bet that Mr. Burton also knew the answers to the questions he was asking.

Mr. Burton asked if the budget was based on the current budget numbers or numbers from a previous audit.

Mayor Kelley stated that the budget was based upon the needs to fund the city as best possible at the lowest possible price and provide the services that the community expected.

Ms. Shanahan stated that those numbers would not be audited until the end of the *next* fiscal year.

Commissioner Partington moved, seconded by Commissioner Boehm, for approval of Resolution No. 2013-157, as read by title only.

Mayor Kelley stated that the final operating millage rate of 4.1181 mills was four percent above the rolled back millage rate. He stated that the resolution also included the adoption of the debt service millage rates of 0.1140 for the 2002 General Obligation Bond Sinking Fund, 0.0470 for the 2003 General Obligation Bond Sinking Fund and 0.1450 for the 2010 General Obligation Bond Sinking Fund.

Call Vote:	Commissioner Stowers	No
	Commissioner Kent	Yes
	Commissioner Boehm	Yes
	Commissioner Partington	Yes
Carried.	Mayor Kelley	Yes

Mayor Kelley announced that the operating millage rate was set at 4.1181 mills, which was equal to four percent above the rolled back millage rate of 3.9596 mills.

Item #4B - FY 2013-14 Proposed Millage Rates and Tentative Budget

City Clerk Scott McKee read by title only:

ORDINANCE NO. 2013-52
AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE 2013-2014 FISCAL YEAR BEGINNING OCTOBER 1, 2013 AND ENDING SEPTEMBER 30, 2014; REPEALING ALL INCONSISTENT ORDINANCES OR PARTS THEREOF; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kent moved, seconded by Commissioner Boehm, for approval of Ordinance No. 2013-52, on second reading, as read by title only.

Call Vote:	Commissioner Kent	Yes
	Commissioner Boehm	Yes
	Commissioner Partington	Yes
	Commissioner Stowers	No
Carried.	Mayor Kelley	Yes

Mayor Kelley closed the public hearing.

Item #5 – Audience Remarks

Mayor Kelley stated that he had no cards from audience members who wished to speak.

Item #6A – Approval of Minutes

Mayor Kelley advised that the minutes of the September 3, 2013, regular meeting had been sent to the Commission for review, and were on the city's website for public viewing. He asked for any corrections, additions, or omissions. He stated that hearing no corrections, the minutes would stand approved as presented.

Item #7 – Community Redevelopment Agency

Mayor Kelley explained that the City Commission served as the Community Redevelopment Agency (CRA) for the Downtown Redevelopment Area, and as such, must review related items and make a recommendation as the CRA prior to the City Commission public hearing; therefore, the City Commission meeting would be recessed, and a meeting of the Community Redevelopment Agency convened. He explained that once the recommendation was made, the CRA meeting would be adjourned and the City Commission meeting reconvened.

Mayor Kelley stated that the City Commission meeting was recessed, and he called the meeting of the Community Redevelopment Agency to order at 7:18 p.m. for discussion of Resolution No. 2013-158. He opened the item for a public hearing.

Item #7A – FY 2013-14 Ormond Main Street Contract Agreement

City Clerk Scott McKee read by title only:

RESOLUTION NO. 2013-158

A RESOLUTION OF THE CITY COMMISSION, INDIVIDUALLY AND ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE CENTRAL BUSINESS DISTRICT AND ADJACENT AREAS, AUTHORIZING THE EXECUTION OF A SERVICE AGREEMENT BETWEEN THE CITY/AGENCY AND ORMOND BEACH MAIN STREET, INC., FOR THE PROMOTION OF ECONOMIC, PHYSICAL AND AESTHETIC REDEVELOPMENT AND MAINTENANCE OF THE ORMOND BEACH MAIN STREET DISTRICT; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Boehm moved, seconded by Commissioner Partington, for approval of Resolution No. 2013-158, as read by title only.

Mayor Kelley stated that he had a few questions about the item that he had discussed with Ms. Shanahan prior to the meeting. He stated that he had also spoken with Ms. Julia Trulio, Executive Director of Ormond Beach Main Street, and she had cleared up his questions.

The motion passed by voice vote.

Mayor Kelley closed the public hearing, adjourned the CRA meeting, and reconvened the City Commission meeting at 7:20 p.m.

Item #8– Consent Agenda

Mayor Kelley advised that the actions proposed for the items on the Consent Agenda were so stated on the agenda. He asked if any member of the Commission had questions or wished to discuss any items separately.

Commissioner Partington moved, seconded by Commissioner Stowers, for approval of the Consent Agenda.

Call Vote:	Commissioner Boehm	Yes
	Commissioner Partington	Yes
	Commissioner Stowers	Yes
	Commissioner Kent	Yes
Carried.	Mayor Kelley	Yes

Item #8A – FY 2013-14 Ormond Main Street Contract Agreement /
Item #8B – 2013-14 Volusia Transportation Planning Organization /
Item #8C – Ormond Beach Chamber of Commerce 2014 Service Contract

Commissioner Boehm noted that Mr. Rick Fraser, the new Executive Director of the Ormond Beach Chamber of Commerce (“Chamber”), was in attendance. He stated that he was thrilled that the Chamber convinced Mr. Fraser to return home and focus on Ormond Beach. He stated that the leadership of Ormond Beach Main Street was also in attendance. He stated that those organizations helped make Ormond Beach a better city and were comprised of committed citizens who worked diligently year round without receiving much recognition.

Mayor Kelley stated that the theme of the upcoming state of the city address was "Together We Can Make It Happen". He noted that those two organizations were an example of that.

Ms. Joyce Shanahan, City Manager, thanked Mr. Keith Norton, President of Team Volusia, who was also in attendance.

Item #9 – Public Hearings

Mayor Kelley opened the public hearings.

Item #9A – Nova Shoppes 2nd PBD Amendment, Permanent Cosmetics

City Clerk Scott McKee read by title only:

ORDINANCE NO. 2013-60

AN ORDINANCE AUTHORIZING THE EXECUTION AND ISSUANCE OF A SECOND AMENDED DEVELOPMENT ORDER FOR "NOVA SHOPPES" PLANNED BUSINESS DEVELOPMENT LOCATED AT 175 SOUTH NOVA ROAD, BY ALLOWING AS A CONDITIONAL USE A PERMANENT COSMETICS USE, DEFINED AS A TATTOO PARLOR BY THE ORMOND BEACH LAND DEVELOPMENT CODE, UNDER CERTAIN CONDITIONS; RATIFYING AND AFFIRMING THE DEVELOPMENT ORDER APPROVED BY RESOLUTION 2004-121 AND AMENDED BY RESOLUTION 2008-54; ESTABLISHING CONDITIONS AND EXPIRATIONS OF APPROVAL; AND SETTING FORTH AN EFFECTIVE DATE.

Mr. Ric Goss, Planning Director, stated that the application was being submitted by two co-applicants, Mr. Paul Holub and Ms. Diane Morgan, who was the practitioner with regard to permanent cosmetics. He explained that prior to 2010, the state legislature did not combine tattoo shops and permanent cosmetics by state statute and those practices were treated separately. He stated that after the state law passed in 2010, those uses were combined and classified as being tattoo uses and regulated under the city code. He stated that in the city's code tattoo shops were treated as B-5 or conditional use. He explained that all of the permanent cosmetic practitioners in shops after that legislative amendment were non-conforming.

Mr. Goss explained that Ms. Morgan desired to move into a location at 175 South Nova Road that did not allow her use. He explained that the only way her use could be introduced into that site was to go through a Planned Business Development (PBD). He stated that staff attempted to define permanent cosmetics separate from recreational tattooing but were informed by the city's legal department that was not possible due to the state legislative changes of 2010. He stated that the PBD introduced only Ms. Morgan and her practice. He stated that the item had been reviewed by the Planning Board who recommended approval. He noted that staff also recommended approval.

Mayor Kelley stated that the Planning Board recommended approval unanimously.

Mr. Goss clarified that, while the business was not a tattoo parlor, it was by definition a tattoo use since ink was applied. He stated that all of Ms. Morgan's uses were laid out in the procedures section of the ordinance.

Ms. Diane (Dee) Morgan, 18 Pine Trail Circle, clarified that most of her practice was medical reconstruction such as scar correction and cleft palate procedures.

Mayor Kelley noted that the reason the item was before the Commission was because of the way the state legislature had changed the categorization.

Ms. Beverly Stannard stated that she lived in Daytona Beach and practiced permanent makeup in Ormond Beach. She stated that she had practiced in Ormond Beach during the last eight to ten years in four different locations. She explained that she did not have any problems with Ms. Morgan doing permanent makeup or tattooing, but that she did have a problem with the zoning that was in place because of the state legislation that had recently passed. She stated that she had spoken with Mr. Goss several times.

Mayor Kelley stated that the zoning of Ms. Stannard's business was not on the agenda and that the ordinance was for a PBD for Ms. Morgan's practice only.

Ms. Stannard stated that she was in a non-conforming district. She explained that she wanted to move her location within Ormond Beach and currently could not under Florida law.

Mayor Kelley noted that that was not germane to the present issue on the agenda, which was the location of Ms. Morgan's practice.

Ms. Stannard stated that she spoke with the State of Florida as well as Mr. Goss and Senior Planner Steven Spraker. She stated that because of how the state had classified permanent makeup artists they could not move their locations.

Mayor Kelley stated that he thought that the city could work with Ms. Stannard on that issue as they had worked with Ms. Morgan. He asked Ms. Stannard to please only make comments on the issue at hand, which was Ms. Morgan's PBD application, and whether or not she supported it.

Ms. Stannard asked what she should do next if she opposed the ordinance.

Mayor Kelley noted that Ms. Stannard was opposing the ordinance because she was unable to move her own practice. He stated that if Ms. Morgan was able to move her practice he thought that Ms. Stannard could find a location that would accommodate her as well.

Mr. Goss explained that he had told Ms. Stannard that the only way that she could relocate to another zoning district would be to go through a PBD like Ms. Morgan was and follow the same process. He stated that that process would cost \$2,000 plus advertising costs.

Mayor Kelley stated that he thought that the other Commissioners would agree that it did not make sense for the state to combine those uses as they had done.

Ms. Stannard stated that she wanted to know why they could not go back to being reclassified as permanent cosmetic makeup. She stated that it was not fair for one person who could afford to apply for the exception to receive it when there were four other permanent cosmetic practitioners in Ormond Beach that could not afford to do so.

Mayor Kelley stated that he understood and sympathized with Ms. Stannard's situation. He stated that he wished there was something that they could do at the state level to correct it but he did not know if there was. He stated that they could try to ask for help at the state level and that Ms. Stannard could try as well. He stated that if he or staff could find any way any other way to work with Ms. Stannard on her relocation they would let her know.

Commissioner Partington moved, seconded by Commissioner Stowers, for approval of Ordinance No. 2013-60, on first reading, as read by title only.

Call Vote:	Commissioner Partington	Yes
	Commissioner Stowers	Yes
	Commissioner Kent	Yes
	Commissioner Boehm	Yes
Carried.	Mayor Kelley	Yes

Item #9B – Chelsea Place Subdivision Annexation

City Clerk Scott McKee read by title only:

ORDINANCE NO. 2013-61

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY INTO THE CITY OF ORMOND BEACH, SAID PROPERTY CONSISTING OF APPROXIMATELY 167.47± ACRES AND BEING GENERALLY LOCATED ALONG THE SOUTH SIDE OF STATE ROAD 40 APPROXIMATELY 5,102 LINEAR FEET EAST OF STATE ROAD 40 AND INTERSTATE 95 RAMP BEING COMMONLY LOCATED AT 104-513 CHELSEA PLACE AVENUE, 300-396 CHESHAM STREET, 1200-1225 DRAYCOTT STREET, AND 1201-1234 REGENTS STREET; INCLUDING THAT CERTAIN PORTION OF STATE ROAD 40 RIGHT-OF-WAY ABUTTING THE PROPERTY; REDEFINING THE TERRITORIAL BOUNDARIES OF THE CITY OF ORMOND BEACH TO INCLUDE THE PROPERTY; REDESIGNATING

THE BOUNDARIES OF ZONE 4 OF THE CITY OF ORMOND BEACH TO INCLUDE THE PROPERTY; SETTING FORTH ZONING, PRIVILEGES AND OBLIGATIONS REGARDING THE PROPERTY; PROVIDING FOR TRANSMISSION; PROVIDING FOR SEVERABILITY; AND SETTING FORTH AN EFFECTIVE DATE.

Mr. Goss explained that the ordinance was being brought subject to an annexation agreement which was almost ten years old and would expire in February 2014. He stated that it involved about 250 lots on which there were currently about 87 homes built already. He stated that all of the approvals had been received by ICI Homes from the county. He noted that he had indicated to ICI that the city would honor their approvals even if their applications were in prior to the last effective date that the city took action on the zoning. He stated that ICI Homes would also save about \$23,000 overall in taxes and fees by annexing into the city. He stated that staff recommended approval.

Commissioner Partington moved, seconded by Commissioner Kent, for approval of Ordinance No. 2013-61, on first reading, as read by title only.

Commissioner Boehm stated that he first learned that Chelsea Place had not been annexed into the city when he discovered that the Ormond Beach Post Office was not located in the city. He noted that the Post Office had subsequently been annexed. He stated that the city had a strange southern boundary which went far down Clyde Morris Boulevard and Nova Road but stopped short at Williamson Boulevard. He noted that Chelsea Place was located off of Granada Boulevard but actually was technically located in the county.

Mayor Kelley noted that the city was filling in some of the unincorporated enclaves in and surrounding the city. He stated that the county told them they were willing to work with them on any enclave. He noted that some did not realize that if they came into the city their taxes would be lower than staying in the county.

Commissioner Kent reminded Commissioner Partington that at their first real meeting after being elected, Chelsea Place was on that agenda to provide water.

Mayor Kelley encouraged all those who wished to relocate to Ormond Beach to do so.

Commissioner Kent stated that in addition to the tax rate being lower, the services provided by the city were also better than in other areas.

Mayor Kelley stated that an example was the way the county maintained the median on Clyde Morris Boulevard. He joked that he thought it was being used to produce hay bales for sale.

Commissioner Kent stated that he had a friend who lived in Chelsea Place and was glad that it was being annexed into the city so that he could pay the in-city rates for his children to participate in Ormond Beach sports, as opposed to the out-of-city rates that he had been paying.

Call Vote:	Commissioner Stowers	Yes
	Commissioner Kent	Yes
	Commissioner Boehm	Yes
	Commissioner Partington	Yes
Carried.	Mayor Kelley	Yes

Item #10A – 250 Williamson Blvd. Small Scale Land Use Map Amendment

City Clerk Scott McKee read by title only:

ORDINANCE NO. 2013-53
AN ORDINANCE AMENDING THE FUTURE LAND USE ELEMENT OF THE COMPREHENSIVE PLAN BY AMENDING THE FUTURE LAND USE MAP TO CHANGE THE DESIGNATION OF ONE (1) PARCEL OF REAL PROPERTY TOTALING +1.25-ACRES LOCATED AT 250 WILLIAMSON BOULEVARD, FROM VOLUSIA COUNTY "COMMERCIAL" TO ORMOND BEACH "GENERAL COMMERCIAL"; PROVIDING FOR CONFLICT; AUTHORIZING TRANSMITTAL; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Boehm moved, seconded by Commissioner Kent, for approval of Ordinance No. 2013-53, on second reading, as read by title only.

Call Vote:	Commissioner Kent	Yes
	Commissioner Boehm	Yes
	Commissioner Partington	Yes
	Commissioner Stowers	Yes
Carried.	Mayor Kelley	Yes

Item #10B – Water and Sewer Rates

City Clerk Scott McKee read by title only:

ORDINANCE NO. 2013-54
AN ORDINANCE AMENDING SECTIONS 22-23, 22-24 AND 22-71 OF
CHAPTER 22, WATER AND SEWERS, THE CODE OF ORDINANCES,
BY INCREASING THE MINIMUM WATER AND SEWER RATES;
REPEALING ALL INCONSISTENT ORDINANCES OR PARTS THEREOF;
AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kent moved, seconded by Commissioner Partington, for approval of Ordinance No. 2013-54, on second reading, as read by title only.

Ms. Carmelita Capozzi, 26 Horseshoe Falls Drive, stated that rather than a rate increase the city could eliminate putting fluoride in the water. She stated that she read on the internet that fluoride was comparable to Prozac and was tranquilizing everyone.

Commissioner Kent stated that he had never met Ms. Capozzi but was glad that she showed up that evening to say that.

Mayor Kelley stated that you could find any position about fluoride by looking on the internet.

Mr. Cliff Campbell, 359 Wilmette Avenue, thanked the City Commission for taking care of the city business and stated that they usually did a good job. He stated that he worked for several cities, counties, states, and the Federal Emergency Management Agency (FEMA) in the past. He stated that the most important things for the Commission to focus on were taxes and utilities rates.

Mayor Kelley stated that Ormond Beach had the third lowest tax rate in Volusia County and had almost the lowest water, sewer, and trash rates in Volusia County. He stated that the increase in the water rate was for funding to replace 50 and 60 year old pipes that were rusting and providing bad water to residents. He stated that the pipes needed to be replaced in order to efficiently deliver the water from the water plant to residents.

Mr. Campbell asked if the city had looked into any federal or FEMA grants.

Ms. Shanahan stated that the city was currently working on a \$3.2 million FEMA grant project for stormwater on Hand Avenue. She stated that the city worked with the state regarding loan funds which gave very low interest loans for water and sewer projects. She noted that was how the city was able to fund such projects at low interest rates. She stated that there were currently no available federal dollars for stormwater.

Mr. Campbell stated that mitigation funds through FEMA would be available for up to 15% of any funding received in the past. He explained that he was retired but still worked on FEMA projects. He stated that he was not interested in how the city's rates competed with others but in how the city competed with itself. He stated that he was retired and living only on social security. He stated that he did not receive benefits or pension from working with FEMA and the state, and that he did the job to help the state save money.

Mayor Kelley stated that the Commission served to help citizens save money as well. He explained that increases were only made after careful deliberation.

Mr. Campbell stated that every citizen in Ormond Beach paid taxes and utilities. He stated that rather than putting money into new projects he thought taxes and utilities should not be raised for those who were not given pay increases. He stated that the citizens looked to the Commission to come up with answers.

Mayor Kelley noted that for eight years there had been no increase in water and sewer rates. He explained that a workshop had also been held to discuss this item previously and that a lot of deliberation went into approving a rate increase. He stated that the Commission did not take such things lightly. He noted that the Commission also paid the same rate as the citizens and received no discounts.

Mr. Campbell stated that his point was that each time an improvement was being made it cost the taxpayers. He stated that he thought that the Commission should consider whether taxes or utilities costs would have to be increased to pay for a project before approving it.

Mayor Kelley explained that the funds spent for water and sewer projects had to come from the water and sewer rates. He stated that the city took in about \$9 million in property taxes and spent about \$15 million to fund the police and fire departments. He stated that the pipes being replaced were currently leaking water and that the city would wind up saving money if those pipes did not waste water, because they would treat and pump less water overall.

Mr. Campbell stated that a couple years ago he had to call the city because he was getting rust in his drinking water and they told him that the pipes would be replaced in about ten years. He reiterated that mitigation programs would be available and could be looked into by the city. He stated that if the city got in touch with him, he could assist them.

Commissioner Kent stated that when he and Commissioner Kent were first elected there had been no increase in water or wastewater rates for over eight years. He explained that at that time the Commission was faced with having to put an increase of between 18 and 30% on residents due to their being no previous increases. He stated that he promised that he would never again do that to his constituents and those small incremental increases, if needed, were the way to go. He stated that the alternative was to keep pushing off increases so that eventually there would have to be a large one to make up for the lack of incremental increases. He noted that Mr. Campbell would not have to wait ten years for his pipes to be replaced because they were ramping up the project. He stated that he himself had drawn baths for his child where the water coming through the pipes looked like chocolate milk. He stated that enough was enough and he applauded the Commission for deciding to make the improvements. He explained that he wanted Mr. Campbell to hear from someone who had also been affected by the old piping.

Ms. Martha Goddard, 99 Cotton Seed Trail, stated that she was a widow with a fixed income from social security and had received no increase this year. She stated that she conserved water and was the only member of her household. She stated that she had new water saving toilets and also saved a bag to put with her trash on Fridays. She explained that she was charged 2,000 gallons of water a month even though she only used 1,000. She stated that in St. John's County you were only charged for what you used. She explained that she had gone over that with the city for years, wondering why she was being charged for something she was not using. She wondered why she should recycle and save the city money. She stated that she was not going to recycle any longer and would use the 2,000 gallons if she was going to be charged for it. She asked how the city justified charging her for something that they did not use.

Mayor Kelley stated that he believed St. John's County had changed their policy.

Ms. Goddard added that it was not ethical to charge for water that was not used.

Ms. Shanahan stated that there were certain fixed costs associated with operating the system that had to be accounted for.

Ms. Goddard asked why the city was different than St. John's County. She stated that she would not try to help the community by saving water anymore.

Ms. Shanahan stated that she understood Ms. Goddard's frustration.

Ms. Goddard stated that there was no incentive to conserve water.

Mayor Kelley stated that the incentive was for the large users who paid high rates if they went over 6,000 gallons.

Ms. Goddard stated that the city had made a lot of money off the water that she had saved over the last 11 years.

Mayor Kelley stated that the first 2,000 gallons were not charged, as the city charged for the costs associated with providing the water. He explained that there were costs associated with maintenance, water meters, pipe replacements, infrastructure, and operating the water plant. He stated that if the city did not have the funds to operate the water plant, then they could not provide any water. He stated that there was a fixed cost of doing business.

Ms. Goddard stated that she saw an article where somewhere in Orlando they were charging their residents by the amount they used in their recycle and in their garbage. She stated that she thought that was a great idea.

Mayor Kelley stated that the city tried to make the rates as inexpensive as possible, but they also had to be able to deliver the water that they produced. He stated that the city would save from not losing water with the pipe replacement. He noted that currently hundreds of thousands of gallons were lost each day.

Ms. Goddard asked if the rates would be lowered if that project was completed.

Mayor Kelley stated that the city would not have to produce as much water and so costs would not increase. He stated that rates could go down if the cost of production went down. He stated that Ormond Beach had the second or third lowest rates in the area. He stated that he had a property in Holly Hill and had to pay for a minimum of 10,000 gallons.

Ms. Goddard stated that she wished the city would find a way to help little old widows like her who did not make any money.

Mayor Kelley stated that if they could, they would.

Ms. Goddard noted that there had only been one raise in social security in five years.

Commissioner Kent stated that the Commission had helped citizens. He stated that they had put hours into the budget and into budget meetings. He noted that they did not take the rate increase lightly. He stated that he thought the city's rates were even lower than second or third in the county. He stated that every day as a Commissioner he was trying to help everyone in Ormond Beach, including his own parents.

Call Vote:	Commissioner Boehm	Yes
	Commissioner Partington	Yes
	Commissioner Stowers	Yes
	Commissioner Kent	Yes
Carried.	Mayor Kelley	Yes

Item #10C – General Employees' Pension Trust IRC Amendments

City Clerk Scott McKee read by title only:

ORDINANCE NO. 2013-56

AN ORDINANCE OF THE CITY OF ORMOND BEACH, FLORIDA, RELATIVE TO THE GENERAL EMPLOYEES' PENSION PLAN, AMENDING ARTICLE I, IN GENERAL, OF CHAPTER 16, PENSIONS AND RETIREMENT, OF THE CODE OF ORDINANCES; AMENDING SECTION 16-1, DEFINITIONS BY AMENDING THE DEFINITION OF "CREDITED SERVICE"; AMENDING SECTION 16-15, MAXIMUM PENSION; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE.

Commissioner Boehm moved, seconded by Commissioner Partington, for approval of Ordinance No. 2013-56, on second reading, as read by title only.

Call Vote:	Commissioner Partington	Yes
	Commissioner Stowers	Yes
	Commissioner Kent	Yes
	Commissioner Boehm	Yes
Carried.	Mayor Kelley	Yes

Item #10D – Police Pension Trust Fund IRC Amendments

City Clerk Scott McKee read by title only:

ORDINANCE NO. 2013-57

AN ORDINANCE OF THE CITY OF ORMOND BEACH, FLORIDA, AMENDING ARTICLE IV, POLICE OFFICERS' PENSION TRUST FUND, OF CHAPTER 16, PENSIONS AND RETIREMENT, OF THE CODE OF ORDINANCES; AMENDING SECTION 16-71, DEFINITIONS BY AMENDING THE DEFINITION OF "CREDITED SERVICE"; AMENDING SECTION 16-85, MAXIMUM PENSION; PROVIDING FOR SEVERABILITY OF PROVISIONS; PROVIDING FOR CODIFICATION; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE.

Commissioner Boehm moved, seconded by Commissioner Kent, for approval of Ordinance No. 2013-57, on second reading, as read by title only.

Call Vote:	Commissioner Stowers	Yes
	Commissioner Kent	Yes
	Commissioner Boehm	Yes
	Commissioner Partington	Yes
Carried.	Mayor Kelley	Yes

Item #10E – Firefighters' Pension Trust Fund IRC Amendments

City Clerk Scott McKee read by title only:

ORDINANCE NO. 2013-58

AN ORDINANCE OF THE CITY OF ORMOND BEACH, FLORIDA, AMENDING ARTICLE III, FIREFIGHTERS' PENSION TRUST FUND, OF CHAPTER 16, PENSIONS AND RETIREMENT, OF THE CODE OF ORDINANCES; AMENDING SECTION 16-40, DEFINITIONS AMENDING THE DEFINITION OF "CREDITED SERVICE"; AMENDING SECTION 16-54, MAXIMUM PENSION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE.

Commissioner Boehm moved, seconded by Commissioner Partington, for approval of Ordinance No. 2013-58, on second reading, as read by title only.

Call Vote:	Commissioner Kent	Yes
	Commissioner Boehm	Yes
	Commissioner Partington	Yes
	Commissioner Stowers	Yes
Carried.	Mayor Kelley	Yes

Item #11 – Hours of Alcohol Sales on Sunday

Commissioner Kent stated that he wanted to have the Commission weigh in on this issue and see what they thought. He explained that he received a phone call from the owner of the Beach Bucket Restaurant in Ormond Beach. He stated that the owner told him that his business was experiencing a problem on Sundays. He explained that the business tried to do a Sunday brunch but could not serve a mimosa or a bloody mary before noon on Sundays due to the city's alcohol sales code. He stated that the owner went on to explain that his business was located about 150 feet from the Daytona Beach city line and patrons would leave his business go to Daytona Beach to have brunch, once they were told that they could not be served alcohol.

Commissioner Kent stated that there had been a small blurb in the newspaper about this item being on tonight's meeting agenda. He stated that since then he had ten people express similar concerns, noting that they could not go to Publix in Ormond Beach and

purchase alcohol before noon and so they would go to Daytona Beach instead. He stated that he was not sure what the city was trying to accomplish with that code and he did not know how long ago that law was created. He stated that he thought that it was time to reevaluate the code. He noted that it was important to bring up the issue since a business owner in his district was suffering because of it. He stated that he would like to hear the Commission's thoughts so that the item could possibly be brought back on a future agenda.

Mayor Kelley stated that he had similar concerns expressed to him. He stated that the codes for the adjoining cities and the county all allowed alcohol purchases all day on Sunday. He noted that he believed that the city's code was left over from the blue laws of years prior. He stated that he would support the city changing their code to be more like Edgewater's, which was pretty straight forward. He stated that it made no sense to him to restrict the purchase of alcohol on Sunday morning.

Commissioner Boehm stated that he knew the store manager of the Publix at Ormond Towne Center. He explained that he had expressed his frustration as well and noted that people from Ocala or west came in on Sundays and were surprised to find that they could not purchase alcohol at his store. He stated that the regulation hurt the businesses in Ormond Beach. He stated that Daytona Beach, Holly Hill, and Volusia County, which surrounded Ormond Beach, all allowed the sale of alcohol at all times on Sundays. He noted that a lot of restaurants had brunches and would serve drinks if they could. He explained that the Commission was in favor of encouraging businesses to locate into the city and that this code was hurting businesses in the city.

Commissioner Partington stated that he had not formulated a definite opinion one way or the other and would be happy to hear from the public. He stated that there was probably a historical reason for the regulation, which perhaps had to do with Spring Break, which was probably not a factor anymore. He stated that his only concern would be possibly with Bike Week. He stated that he would be happy to look at an ordinance revision.

Commissioner Stowers stated that he agreed with the majority and was in favor of removing ineffective regulations. He stated that anyone could go 150 feet south and purchase alcohol earlier on Sundays so there was no victory there. He stated that he was supportive of removing that restriction.

Commissioner Kent asked Ms. Shanahan to bring the item back as soon as possible.

Ms. Shanahan asked for clarification on how they would like the code to read.

Mayor Kelley stated that he liked Edgewater's language because it was very straight forward.

Commissioner Kent stated that he was comfortable with Edgewater or even Daytona Beach's code language.

Ms. Shanahan asked if they wanted a recommendation back in ordinance form or an item with multiple options.

Mayor Kelley stated that he would rather it be an ordinance that stated simply "may be sold every day of the week including Sunday from the hours of 7:00 a.m. and 2:00 a.m. on the following morning."

Commissioner Kent stated that he favored this language, as well.

Mayor Kelley stated that he felt personally that the spring break provision was a non-factor anymore.

Ms. Shanahan noted that section was last amended in 1996.

Item #12 – Reports, Suggestions, Requests

Water Rates

Ms. Shanahan clarified that St. John's County water rates were at \$12.08 and that zero to 5,000 gallons was charged at little over \$3.00. She noted that Ormond Beach had a lower rate than that.

John Anderson Drive

Ms. Shanahan stated that the John Anderson Drive project began that day and that the milling was started.

Downtown Improvements

Ms. Shanahan stated that some of the downtown landscaping would be starting between Beach Street and Ridgewood Avenue.

Budget

Ms. Shanahan reiterated that the Commission had been very transparent about the budgetary process. She stated that there had been no less than eight public meetings held regarding the budget and budget development. She explained that an executive summary of the budget was published in every Daytona Beach News-Journal (News-Journal) subscriber's Sunday paper and was also posted on the city's website. She stated that the entire budget document was also on the website and was fully detailed. She noted that the city's Comprehensive Annual Financial Report (audit) was also on the website. She stated that the auditors provided that information in February of every year. She stated that she took umbrage with some of the issues that were raised by an earlier speaker, who was trying to intimate that the Commission had not been transparent or had not done its due diligence in preparing the budget. She thanked the Commission for their commitment to the process.

Fishing Tournament

Commissioner Kent stated that on September 7, 2013, the city held their first annual Reel in the Fun Fishing Tournament. He noted that the Commission had agreed that holding such a tournament would be one of their top goals and priorities for the year. He stated that the event was fantastic, wholesome, and free to the residents in the City of Ormond Beach. He stated that it was wonderful to see parents teaching their children about fishing and the local waterways. He explained that his son, try as he might, did not land one fish but also that his son would say that it's called fishing and not catching. He stated that his son had asked him the day before if they go could fishing and he caught four fish, all four of which would have claimed first prize in the tournament. He explained that the first place fish at the tournament weighed one pound.

Commissioner Kent stated that before he came to the meeting, he had stopped and retrieved the mail at his home. He stated that in the mail was something addressed to his son from the City of Ormond Beach. He explained that his son received his very own Certificate of Participation and an 8x11 photograph of him taken at the event. He stated that the city's staff had people taking pictures of every child participating at the event. He noted that the audience was applauding and encouraging them to do so. He stated they would have the certificate and photo framed and his son would be able to tell his children about his first tournament.

Mayor Kelley stated that he did not catch anything either but that it was really fun seeing the excitement of all the participants. He stated that it was great that the city sent certificates and photos to the children, as he did not know that staff was going to do so.

Commissioner Kent noted that the children also received goody bags at the event.

Public Works

Commissioner Boehm stated that he wanted to give kudos to the Public Works Department. He explained that he received an email from one of his constituents stating that during a wind event the week prior they had a water oak fall down in Tomoka Oaks. He stated that they told him that they called the city and within minutes the tree crew showed up and cut the tree up. He stated that the whole circle had been blocked because of the tree and the residents could not get out. He noted that those residents were beside themselves with thanks for how quickly the city took care of that.

Businesses in Ormond Beach

Commissioner Boehm stated that there was an article in the Sunday News-Journal wherein the owner of the Ormond Beach Plaza reported that he had it filled up for the first time in years. He stated that they interviewed a Board Member of the Board of Realty who indicated that Ormond Beach was one of the hot spots in the area. He stated that they reminded him of Granada Plaza redoing their façade, Ormond Beach Main Street petitioning for a grant, the Sunoco stations going in, Duvasawko, ECN, Dunn's Attic, and S.R. Perrott. He noted that it was an exciting year in Ormond Beach and that the business world felt Ormond Beach was a great place to locate their businesses. He stated that the leadership from Ormond Beach Main Street and the

Ormond Beach Chamber of Commerce were proven to help the city. He noted that even the permanent cosmetics item that evening was another business owner wanting to locate in the city.

King of the Grill

Commissioner Boehm stated that on September 28, 2013, the Chamber would hold one of their big events of the year, King of the Grill. He explained that the previous year the Commission served as the only judges for the event and that the five of them had to sample 19 different full meals. He stated that they had amateur as well as professional categories and that the Commission would all be there again.

Commissioner Partington stated that in his ten years of service he thought that was one of the best events he had attended.

Taxes

Commissioner Partington stated that while listening to Commissioner Kent, Mayor Kelley, and Commissioner Boehm's comments, he thought about the city's tax dollars at work. He stated that Mayor Kelley was very gracious with the one resident out of 40,000 who came to the meeting to speak about the tax increase. He noted that individual did not speak against the increase but asked a lot of questions. He stated that the level of service provided to the residents spoke well for Ormond Beach. He stated that every year the city consistently had received government awards for their audits. He noted that tax rates fluctuated up and down over the years.

Educators

Commissioner Partington stated that Commissioner Kent was an educator and that Commissioner Boehm's wife had been a long time educator in the county. He stated that he had the benefit last week of being at a high school open-house, a middle school open-house this evening, and on Thursday he would be at another open-house. He stated that he was very impressed with the quality of the teachers at those schools. He stated that you could say what you wanted about administration, but the actual people in the classrooms doing the day-to-day work made him feel really good about his children's education.

King of the Grill

Commissioner Stowers stated that he was looking forward to King of the Grill, also. He stated that he was hungry and ready.

Fishing Tournament

Commissioner Stowers thanked Commissioner Kent and everyone involved with the fishing tournament. He stated that he thought about his childhood and that one of his earliest memories was actually going to a fishing tournament with his father.

John Anderson Drive – Stop Signs

Commissioner Stowers stated that he had received a few calls regarding the stop signs on John Anderson Drive included in the project there. He stated that those calls were from residents against their inclusion. He stated that when the Commission discussed the sidewalks before, people had referenced speed and safety concerns. He noted that he did not know how the roadway would function once it was completed, but he would be in favor of finishing the project without the addition of the new stop signs, noting that the stop signs would have been added at the end of the project anyway. He stated that would give everyone a chance to see how it felt without them and then if they needed to revisit adding them they could do so. He stated that he had driven the road and stopped at each proposed stop and was able to get back up to 35 miles per hour or more because there was enough space between them. He stated that he wanted to raise the issue because numerous residents had brought it to him, and he was not sure if that item needed to be made a discussion item.

Mayor Kelley asked how the addition of the stop signs was scheduled in the contract.

Ms. Shanahan stated that the stop signs would be put in at the very end of the project. She stated that there were plans to do thermal striping of plastic to provide a demarcation like a crosswalk at each of those intersections where the stop signs would go. She noted that the cost was about \$74,000. She explained that the striping would not be put down until the very end, after the pavement had been cured. She asked if the Commission wanted her to wait on doing that work or bring the item back for discussion.

Mayor Kelley stated that he had more than ten citizens call him and ask him to add sidewalks. He noted that he did not want to open that back up for discussion again. He stated that there were probably equal amounts of people for and against the stop signs and that the Commission would ultimately have to make the decision again. He noted that if the item was put on an agenda for discussion, people would come to the meeting and not understand why they could not speak. He stated that signs that were put up could always be taken down. He asked when the project would be completed.

Mr. John Noble, City Engineer, stated that the project was listed as taking 270 days in the contract.

Mayor Kelley stated that there was plenty of time to address the stop signs and he would rather not discuss the issue at the present time. He stated that perhaps they could have that discussion at a workshop or during some other scheduled discussion.

Commissioner Stowers explained that he was very focused on completing the project and was on the same page as Mayor Kelley. He stated that his only question was regarding adding the three additional stop signs, and he was not suggesting any discussion of sidewalks or any of the other subjects that they had already covered.

Mayor Kelley stated that if the other Commissioners wished to have a discussion item about the stop signs then they could. He noted that he was only one person against doing so. He explained that currently the road there was very bumpy and after the project it would be smooth and easier to speed on. He noted that was part of the reason the stop signs would be added.

Commissioner Kent stated that he had a discussion with Ms. Shanahan recently regarding discussion items. He explained that it had always been, as it always should be, that as elected officials if they wanted something as a discussion item, all they had to do was tell the City Manager and it would be added to the agenda. He stated that they did not need approval from the rest of the Commission to put something on the agenda.

Commissioner Kent stated that Mayor Kelley did bring up a great point though, which was that the John Anderson Drive project was a dead horse that had been beaten three times. He stated that he had heard from many residents at those meetings that people did not obey the speed limits on John Anderson Drive. He noted that the engineers looked at that and that the Commission approved the plan; which included road calming measures and additional stop signs, which may or may not help Commissioner Stowers decide if he wanted the item as a discussion item. He recalled dozens of people complaining about speeding and that they wanted changes.

Mayor Kelley stated that he was not insinuating that Commissioner Stowers could not ask for a discussion item. He explained that he just wanted to point out that if there was a consensus from the Commission that they did not want to review the stop signs then he may not want to put the item on the agenda for discussion. He noted that Commissioner Stowers had every right to request a discussion item if he desired.

Commissioner Boehm asked Mr. Noble if the stop signs could be removed after the project was completed, if they were to be an outcry against them or some other factor warranting their removal.

Mr. Noble stated that the city could remove them afterwards if they desired.

Commissioner Boehm stated that he was in agreement with Commissioner Kent and Mayor Kelley in that he did not see the purpose of a discussion item on the subject.

Mayor Kelley reiterated that the signs could be removed if needed. He stated that they should go with the plan they had, which they had voted on and approved, instead of changing it before it was finished.

Mr. Noble stated that the textured pavement could remain even if the stop signs were removed.

Bank-Owned Properties

Commissioner Stowers stated that Citizens for Ormond Beach recently had discussions regarding foreclosures and bank-owned properties. He stated that he had listened to continuing legal education and heard about a city attorney from south Florida doing aggressive, innovative things to deal with that issue. He explained that the attorney

came up with a program in their municipality where they targeted 12 bank-owned homes for non-responsiveness. He stated that he would reach out to City Attorney Randy Hayes and discuss those ideas with him. He stated that in his own neighborhood there was a large blue tarp on a bank-owned home, which was infuriating.

Mayor Kelley noted that the city had remedies for that.

Commissioner Stowers stated that the City Attorney he heard speak had aggressive ideas from a litigation standpoint and from getting into the courts. He stated that he would follow up with Mr. Hayes.

Bay Trees

Mayor Kelley stated that he noticed all the dying bay trees in the city. He asked Ms. Shanahan if there was anything the city could do to request that they be taken down because of the problems that they created. He noted that as long as those trees remained up, the beetles causing the issue could migrate to other areas and affect other trees.

Ms. Shanahan stated that there was no requirement to remove the trees. She stated that someone had asked her about bay trees on city right-of-ways and she checked with staff who did not believe that there were any.

Mayor Kelley stated that the city did have some; whereby, Ms. Shanahan asked Mayor Kelley to provide her that information as she had checked with the Forestry Division. She explained that the city could not force residents to remove their infected trees. She stated that the state required that all the debris had to be chipped or the tree had to be removed and taken within a 50-mile radius. She explained that the tree could not be taken out of the area because they were afraid that some of the bay tree beetles may survive and attach onto fresh trees. She noted that there was information published on the city's webpage about the issue.

Mayor Kelley stated that he thought that as a courtesy to those that did not know that their tree was dead or not coming back that the city could notify them.

Ms. Shanahan stated that she thought that people did not want to pay to take down the trees. She noted a couple such trees were in her neighborhood.

King of the Grill

Mayor Kelley stated that on the evening of the King of the Grill he would be celebrating his forty-year wedding anniversary in St. Augustine with other couples doing the same. He stated that he would have to eat lightly that day at the event.

Taxes

Mayor Kelley stated that the taxes for the earlier speaker, who spoke during the budget hearing, were less in 2012 than they had been in 2004. He explained that someone who lived in DeLand in an average priced home, which was \$125,000, would pay city taxes of \$542 a year. He noted that in Ormond Beach the average priced home was \$150,000 and the taxes paid on it would be \$441. He noted that it was \$100 less per year in Ormond Beach than DeLand for a home that cost more. He stated that living in Ormond Beach really was a bargain.

Mayor Kelley explained that someone wrote a letter to the editor in the News-Journal about how taxes discouraged businesses. He stated that there was a national television program that day which was discussing value and why major companies were relocating to Florida because of the good tax benefits. He stated that the person who wrote that letter paid \$20 a month in property taxes on his home. He noted that he did not like property taxes and wished there was another way of funding; and that on the other end of the spectrum, those with expensive homes had to pay greater amounts in taxes.

Item #13 – Adjournment

The meeting was adjourned at 8:49 p.m.

APPROVED: October 1, 2013

BY:

Ed Kelley, Mayor

ATTEST:

J. Scott McKee, City Clerk