

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

August 6, 2008 7:00 p.m.

Present were: Mayor Fred Costello, Lori Gillooly, Troy Kent, Ed Kelley, and Bill Partington, City Manager Isaac Turner, Assistant City Manager Ted MacLeod, City Attorney Randal Hayes, and City Clerk Veronica Patterson.

A G E N D A

- 1) Meeting call to order by Mayor Costello.
- 2) Invocation by Pastor Virginia Barnes, Grace Lutheran Church.
- 3) Pledge of Allegiance.
- 4) ***PUBLIC HEARING:*** City Manager contract.
- 5) ***AUDIENCE REMARKS:***
- 6) ***APPROVAL OF THE MINUTES*** of the July 28, 2008, meeting.
- 7) ***INTERGOVERNMENTAL REPORTS:***
 - A) Metropolitan Planning Organization
 - B) Volusia Council of Governments
 - C) Water Authority of Volusia

- 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. 2008-139 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 September 2008; providing for exceptions thereto. (Tuesday, September 2 and September 16, 2008, to September 3, and September 17, 2008)
 - B) Resolution No. 2008-140 appointing Amanda Hayes to serve as a trustee of the City of Ormond Beach Municipal Police Officers' Pension Trust Fund; establishing term and conditions of service.
 - C) Resolution No. 2008-142 authorizing the approval and execution of an Authorized Fleet Warranty Service Station Agreement; a Fleet Warranty Labor Rate Agreement; and a Dealer/Retailer Authorization Agreement for Automatic Withdrawals/Deposits, all between the City and General Motors Corporation, regarding fleet warranty service for City vehicles.
 - D) Request to nominate Fred Costello as "Mayor of the Year," Randy Hayes as "City Attorney of the Year," Veronica Patterson as "City Clerk of the Year" and Marvin Miller as "Citizen of the Year" in the Florida League of Cities "Florida Cities of Excellence Award" program.

DISPOSITION: Approve as recommended in City Manager memorandum dated July 31, 2007.

- 9) **SECOND READING OF ORDINANCE** No. 2008-35 of the City of Ormond Beach, Florida, amending Article I, In General, of Chapter 16, Pensions and Retirement, of the *Code of Ordinances*, by amending Section 16-6, Benefit Amounts and Eligibility.
- 10) **FIRST READING OF ORDINANCE** No. 2008-36 amending the annual budget for Fiscal Year 2007-2008 by amending the General Fund; the Pension Contribution Pass Thru; the Facilities Renewal and Replacement Fund; Fire Station #92 Fund; Fire Station #91 Fund; the Water/Wastewater Fund; the Water Impact Fees Fund; and the Workers' Compensation Insurance Fund.
- 11) **RESOLUTIONS:**
- A) Resolution No. 2008-133 authorizing the execution of an Animal Housing Agreement between the City and Flagler Humane Society, Inc.
 - B) Resolution No. 2008-141 authorizing the execution of a Community Development Block Grant Subrecipient Agreement for Fiscal Year 2007-2008 between the City and the County of Volusia. (\$105,539 CDBG funds)
- 12) **REPORTS, SUGGESTIONS, REQUESTS:** Mayor, City Commission, City Manager, City Attorney.

13) **CLOSE THE MEETING.**

Item #1 - Call to Order

Mayor Costello called the meeting to order at 7:00 p.m.

Mayor Costello introduced those on the dais and Ms. Lorenda Volker, Human Resources Director, who was greeting citizens coming into the meeting.

Item #2 - Invocation

Pastor Virginia Barnes, Grace Lutheran Church, gave the invocation.

Item #3 - Pledge of Allegiance

Mayor Costello led in the Pledge of Allegiance.

Item #4 – City Manager Contract

Mr. Isaac Turner, City Manager, reported a few years ago some people wanted to paint a bleak picture on the activities that were occurring, and the Chamber of Commerce instituted Positively Ormond to provide a rallying point and an opportunity to focus on the good and positive that was occurring in Ormond Beach. He stated there were opportunities to improve; however, progress was continuing. Mr. Turner advised he has had the opportunity to lead the City's efforts to improve the quality of life in this community. He reported being the best city manager and the best public servant he could be was his goal. Mr. Turner reported he firmly believed in this system, and the Commission's right to make this decision.

Disappointments, Setbacks, and Problems

Commission/Manager "Breakdown" in 2002 After the Election

Mr. Turner reported in 2002 there was a division amongst the Commission as a result of the elections, and he initiated quarterly focus meetings amongst the Commission; he recruited a professional facilitator to assist the Commission to come up with goals and monitoring those goals; and he instituted monthly meetings with the individual Commissioners to make sure their goals and objectives were being achieved.

Airport Greenbelt Buffer Issue

Mr. Turner advised there was an issue with the airport greenbelt buffer relative to the clearing of the greenbelt buffer area that had been leased to an airport tenant since 1994 but was undeveloped. He reported staff failed to obtain written approval from the golf course lessee as required by the lease; the greenbelt buffer area was never surveyed by the developer as was initially required by the lease; and there was never a field survey done. Mr. Turner stated to resolve that issue staff negotiated mitigation with the golf course purchaser, who instituted a new capital projects review process insuring formal compliance with all City permitting requirements and delineating impacts on adjacent parcels. He reported a site plan review was required for those projects that do not include vertical construction. Mr. Turner advised a capital projects manual was created with check lists to be used by project managers from non-engineering disciplines, which included reviewing agreements and amendments for impacts on adjacent areas. He reported aerial photography was now included whenever possible to show the impact on vegetation, and a survey of the greenbelt buffer area was completed in 2007.

Water Issues

Mr. Turner advised on the day prior to Memorial Day in 2006 a contractor damaged a 12-inch water main, and while making repairs, a valve was opened for a six-inch line. He reported the cap at the end of the line blew off, and the leak went undetected for 18 hours. Mr. Turner stated, as a result, the City was placing valve and line locations on a GIS mapping system and a SCADA monitoring system was added, which would detect pressure readings from throughout the system to allow the City to know exactly where pressure was being lost so it could be repaired quickly. He advised the improvements to the Leeway elevated storage tank were completed, which increased water pressure and water supply to the area. Mr. Turner stated the primary cause of the water plant inspection findings was major upgrades and expansions were delayed due to lack of funding, and routine maintenance items were not attended to properly. He reported an outside audit of the operations at the plant was initiated; the utility department was reorganized to include reassignments and replacing responsible employees; and the following elements were added to the expansion project: an additional two million gallon capacity to the treatment plant, refurbishing filters six and five, constructing four new filters, refurbishing the claricones, adding SCADA equipment so monitoring and control components would be available in remote areas of the plant, purchasing utilities plant preventive maintenance software, and implemented quarterly meetings with employees to show support and discuss operations.

Mr. Turner reported with the water plant power loss, the primary cause was a lightning strike, and the secondary cause was a failure of secondary systems. He stated a faulty check valve was replaced, main breakers were replaced, the main power system was replaced, a new day tank with two redundant fuel pumps was purchased, independent mobile generators have been placed at the high service pumps hardwired to pumps, the main breakers were replaced, a second power feed was provided to the plant so the system was now looped, the maintenance procedures to manually check the tank weekly and after each generator test were redefined; and interconnect protocols with Daytona Beach for emergency activation were clarified.

Police Department Issues

Mr. Turner stated in the case of the escaped prisoner, guns in the jail cell, and inappropriate behavior, he conducted internal and external investigations, improved the standard operating procedures, and a number of individuals were disciplined including terminations, suspensions, and reprimands.

Professional Services Selections

Mr. Turner reported with the Interchange Justification Report (IJR), the primary cause of concern regarded the ratings/ranking from the selection committee was exacerbated by the lack of a recording or minutes. He advised because of his admiration for Ms. Maryam Ghyabi, he personally conducted a review of all of her concerns. Mr. Turner stated in an August 14, 2007, letter, he recommended rejection of the proposals and redoing the selection process due to the absence of minutes; however, after meeting with Ms. Ghyabi and a representative from Reynolds, Smith and Hills, Inc., five recommendations for the process were agreed upon, and all agreed it would not be in the best interest of Ormond Beach to redo the process. He advised, based on that decision, he sent another letter dated December 3, 2007, advising that the City would proceed with the recommendation for Reynolds, Smith and Hills, Inc. Mr. Turner reported changes for procedures for evaluation panels were circulated to the appropriate staff by the City Attorney and Purchasing Agent.

Benefits Insurance Services Solicitation

Mr. Turner reported the City was following previously used selection procedures without anticipating changes to the process. He advised staff met with Brown & Brown representatives to discuss their concerns and desired outcome, and numerous discussions with staff regarding assessing the process occurred. Mr. Turner acknowledged the agent of record letter should have been brought to the City Commission for designation; but the fact that the staff designated an agent of record did not obligate the City to pay a commission, and this fact should have been made more clearly in his comments. He clarified that no one from staff who participated in the process worked for or with the Gehring Group. Mr. Turner advised that the Florida League of Cities was contacted by staff in mid-March at the request of the Mayor and was invited to participate in the process; and their representative, Mr. Clay Austin, has been kept apprised of the process, and they submitted a bid. He noted staff did not receive a copy of the Florida League of Cities' promotional e-main until late June. Mr. Turner advised calls to the Commission on June 27 were to provide a briefing update on the benefits process, and nothing inappropriate occurred.

Achievements

Quality of Life

Mr. Turner stated the City partnered with Volusia County to create additional off-beach parking opportunities; rehabilitated the Nova Community Center gymnasium, road, parking, stormwater infrastructure and ball fields; renovated the Airport Sports Complex road, stormwater infrastructure, created a championship field, additional practice field, and parking areas including the donation of a additional 17-acre triangle from Tomoka Holdings; refurbished the Riverbend Nature Preserve in conjunction with the Bear Creek Community; constructed an expanded trail system, pier improvements, and canoe launch for Central Park utilizing funds from over \$600,000 awarded to the City by ECHO and FRDAP; initiated \$1.63 million in capital improvements projects for The Casements and Rockefeller Gardens; constructed a splash pad at the South Ormond Recreation Center; completed stormwater, road, and sidewalk master plans; completed a four mgd water plant expansion employing an improved treatment process and improving aged and dilapidated equipment; designed and financed a two mgd sewer plant expansion and upgrade project for which construction will begin later this year; implemented a Commissioner/constituent complaint tracking system for management of approximately 1,200 requests annually; partnered with community groups for a national "Birthplace of Speed" celebration; in 2003, the City of Ormond Beach Leisure Services Department received national accreditation from the Commission for Accreditation of Park and Recreation Agencies; and established a cooperative plan between Ormond Beach and Daytona Beach for a Special Populations camp.

Employee Improvements

Mr. Turner stated an employee certification program was established to encourage and reward employees who obtained certifications, which added value/skills over and above what was required in their job descriptions; secured contracts with three unions in 2001, 2004, and 2007, and the latest contracts included a one-time bonus, which was the most conservative wage proposal in Volusia County; all contracts were completed without declaring impasse; implemented Interest Based Bargaining (IBB) which has resulted in a focus on issues and

resolutions as opposed to positions; executive appointments have worked well and were of great benefit to the organization and community including Directors of Planning, Economic Development, Leisure Services and Budget; and the City-wide database for salary comparison served as a basis for a County-wide database.

Financial/Cost Containment

Mr. Turner reported the City has eliminated deficit funding; increased General Fund reserves from a low of \$3.1 million in 2004 to \$5.9 million in 2007; concluded the litigation with Daytona Beach concerning utility service issues; liquidated the City's investments in the Florida Local Government Investment Pool prior to liquidity crisis; continued to receive Governmental Finance Officers Association outstanding Comprehensive Annual Report award; implemented the restructuring of staff resulting in less personnel cost with minimum impact of services; contracted for service for the Tennis and Senior Centers; implemented \$2.23 million in budget reductions between 2004 and 2008; implemented \$1.4 million in budget reductions for FY 2009 and reduced 23 positions; received 94 grants since FY 2001-2002 for a total of \$15,850,662.12; and grant information was shared with the public twice a year through the "Grants Newsletter."

Public Safety

Mr. Turner advised the City has contracted with the Sheriff's Department for police and fire dispatch services saving approximately \$155,000 annually, avoiding spending between \$180,000 to \$380,000 for new software; restructured the Fire Department's management to save approximately \$130,000 in the first year; restructured the Police Department's management to save approximately \$160,000 annually and placed three officers on the street; funded an additional police beat primarily through reductions in management positions and reassignment of existing staff; installed mobile data terminals in 63 police/neighborhood improvement and 11 fire vehicles; City staff helped the community recover from three hurricanes in 2004 with debris removal, traffic direction, drainage and controlling crime; instituted a central Emergency Operations Center at the Police Department with a back up facility at Fire Station #92; implemented National Incident Management System operating procedures and staff assignments for emergency events in response to 2004 hurricanes; trained management staff in the system; instituted a specific business assistance element to address utility and communication needs for the business community; completed construction of a new police station and two new fire stations; the Police Department received national Police Department accreditation in January 2005; received grant funding for enhanced victims advocate, equipment/technology, and juvenile justice/PAL programs; implemented a closest unit emergency response agreement with the east coast cities and Volusia County; reduced fire overtime by approximately 50%; and Volusia County and city managers are compiling information and recommendations to achieve cost savings which will be brought to each of the elected bodies.

Economic Development

Mr. Turner stated Ormond Crossings would have five million square feet of office/industrial space with approximately \$1.3 billion worth of taxable value including 3,000 residential units; 3,000 acres were annexed from Volusia County; conditional DRI approval by the East Central Florida Regional Planning Council, Department of Community Affairs, Volusia County and City of Ormond Beach was completed; Volusia County has approved the Community Redevelopment Area designation for the project; the Proportionate Fair Share Agreement approval for off-site transportation mitigation by Florida Department of Transportation, Volusia County, and City of Ormond Beach was completed; and the design and green building standards are being completed. He stated the Commission would hear requests to make changes to make it easier on the developer or landowner, but he urged the Commission to be very prudent regarding making changes and to maintain the vision.

Business Retention/Expansion/Attraction

Mr. Turner advised the City was able to assist in the relocation of businesses to Ormond Beach, resulting in approximately 138 new jobs, 46,000 square feet of existing and new space, and \$2 million in construction for new space; business expansions have added approximately 135 new jobs and 20,000 square feet of industrial space; the City was able to assist in the retention of 900 employees in the City including Hawaiian Tropic, Homac, and SR Perrott; sold sites in the Business Park to Polymer Fabrication, Delta P Systems, and Elab for approximately \$190,000; experienced increased assessments for land and buildings at the Airport Business Park of \$14 million since 2001; pending sales are Atlantic Central Enterprises and NAI Realvest of new lots in the Business Park with an anticipated revenue of \$1.1 million; and replanted 30 acres in the Business Park to reduce wetland impacts and construction costs.

Municipal Airport

Mr. Turner reported the USAL project was terminated with no cost to the City; major renovations to the Sunrise Aviation facilities were negotiated; approximately \$4.8 million in improvements,

were completed including a master plan update, air traffic control tower, security fencing, road, utility installation, runway resurfacing and electrical rehabilitation with approximately 84% grant funding; the financial condition of the airport was improved to operate a surplus for FY 2008-09; a request for proposals was being prepared for the potential development of the southwest quadrant of 90 acres of land; the site plan approval process was completed with the lessee of FBO Area 2 and the construction of T-hangars and box hangars was begun; and staff was working with prospective lessees for the construction of hangars on the southeastern quadrant.

TIF District

Mr. Turner stated \$850,000 in Tax Increment Financing (TIF) projects were completed between 2002 and 2008; the downtown master plan was updated to include \$5.3 million in expenditures over the next two years; implemented \$1.1 million over two years for TIF funding to make improvements at The Casements; and \$496,000 was provided for property improvements grants, which resulted in 23 improvement projects to date.

Strategic Economic Development Plan

Mr. Turner advised the City completed its first five-year Economic Development Plan containing 17 objectives and 34 action steps to expand the Ormond Beach tax base and provide employment opportunities; created a new promotional packet with demographic, financial, and quality of life material regarding Ormond Beach to attract business prospects to invest in the City, which received the Florida Economic Development Council award for excellence; created an interactive website for new economic development plans, reports, and resource guide for access by businesses and residents; and established relationships and visitation programs with site selectors to showcase Ormond Beach.

Development Process Improvements

Mr. Turner stated a total rewrite of the Land Development Code was completed in 2004; a Land Development Code evaluation for introduction was completed in 2008, which, when implemented, will reduce the review process time, have more involvement from adjacent neighborhoods, and reward superior submittals including the consolidation of some boards; and the permitting process was expedited through the following: cross-training inspectors so one inspector could do multiple inspections while on site; installed mobile data terminals in inspector vehicles for data entry in the field; installed permitting software to ensure consolidated case management and status monitoring; reorganization of Planning, Building and portions of Engineering into a combined development review function, established comprehensive, standard operating procedures for the consolidated department, and reduced costs by reclassifying two Chief Planner positions to Senior Planners and eliminating two building inspector positions.

Improved Relationships with Officials and Agency Staff

Mr. Turner reported litigation was ended through negotiations; dinner meetings were arranged with elected officials; and efforts were made to lobby with state and federal officials. He advised as a result, Ormond Beach was able to avoid costly litigation and received a nearly \$1 million earmark grant and support for Ormond Crossings as well as other critical needs. Mr. Turner stated the relationships with boards and commissions, community groups such as Citizens for Ormond Beach, Daytona Beach, Volusia County and Flagler County councils and staff, the State of Florida, and the federal government was greatly improved.

Conclusion

Mr. Turner advised he was pleased the quality of life in Ormond Beach has improved dramatically over the last seven years. He reported the City employees are better trained, better equipped, more productive, and the public safety services are better coordinated and supported by other area public safety agencies.

Mr. Turner reported even with the recent challenges of tax reform and a slumping economy, Ormond Beach's financial condition was better; economic development efforts have been productive and are on the verge of having a major impact on business development for the community; the development services have begun a transformation through automation; and soon to come are changes in processes that have the potential to make to the City's procedures less cumbersome, less time consuming, and would increase community involvement while upholding Ormond Beach's high standards.

Mr. Turner stated relationships with Ormond Beach's community partners, as well as other governmental entities, have been significantly enhanced. He noted Ormond Beach was better than it was seven years ago because of the citizens, volunteers, community organizations, the professionalism of City staff, the Commission's policy direction, and a great city manager. Mr. Turner stated regardless of the outcome of tonight's meeting he was, and hoped the Commission, would continue to be "positively" Ormond Beach.

Mr. Turner acknowledged he understood there were concerns about the leadership in this organization, which was his responsibility. He reported should the Commission choose to provide different leadership, he was prepared to resign immediately, conditioned upon the Commission agreeing to exercise the clauses in his contract of a nine-month severance package. Mr. Turner advised if the Commission decided to do a termination vote, they can accept a resignation with a nine-month severance package. He stated he appreciated the opportunity to serve in this community, thanked the Commission for their time and patience, and thanked the public for their attendance tonight regardless of whether they wanted him to stay or leave.

Mr. Hayes advised if the Commission decided to sever the employment relationship, Mr. Turner's contract calls for: 1) six months prior written notice of its intent to terminate the relationship where no severance package would be due; 2) the Commission could immediately sever the relationship, and the severance package would have to be paid; and 3) should the Commission suggest the City Manager resign, this would also trigger the severance package components in the contract. He reported although a suggestion of resignation was made at the last meeting, a strong suggestion was made that the employment relationship be severed. Mr. Hayes noted the Charter provides the City Manager an opportunity to request a public hearing, which he did, and this discussion tonight was that public hearing. He advised a voluntary resignation would not trigger the severance package, but this was not voluntary; therefore, should the Commission accept the City Manager's resignation it would trigger the severance package.

Commissioner Gillooly stated it was challenging that this had to be done in public. She explained when she came on the Commission she looked forward to working with Mr. Turner and was pleased with every interaction with him in her capacity as a citizen. Commissioner Gillooly reported when the unseemly incident in 2002 occurred, she voiced her concern and advocated Mr. Turner's continuing tenure with the City; however, as a Commission member there was a great deal of interaction with the City Manager through Commission meetings and personal meetings to discuss issues. She noted for the past year she has had concerns. Commissioner Gillooly advised there was no question that Mr. Turner was a good man and responsive to the citizens; but she had issues with accountability, and she began to notice a systematic pattern. She stated a manager must look at what went wrong, mitigate the issue, and find out how to correct the issue. Commissioner Gillooly noted very serious tangibles occurred in terms of finances to the taxpayers. She reported she did not believe she overreacted to the first few issues; but after seeing a systematic pattern, she became concerned. Commissioner Gillooly advised the contract the City had with Mr. Turner was a result of what occurred six years ago, and that should not have occurred. She reported the severance package, which included the salaries, continued health benefits, continued car allowance, continued personal leave, and the continued pension benefits, would be a financial burden of nearly \$250,000 to the citizens. Commissioner Gillooly stated if this situation was what it was in 2002 involving a personal agenda, she would defend Mr. Turner, saying he had a right to that money; however, this was a completely different situation. She pointed out Mr. Turner has indicated this Commission values the good things Mr. Turner has done, but she needed to protect the City and be cautious with the taxpayers' dollars. Commissioner Gillooly advised she believed this situation was one of performance and pattern, where Mr. Turner had ample opportunities to correct them and this could have been avoided. She recommended implementing the option in the contract that would afford Mr. Turner a six-month written notice, which she considered the most prudent and fiscally sound procedure. Commissioner Gillooly stated she did not doubt Mr. Turner's integrity as an individual and a member of the community. She stated this option would be in line with these economic times, being careful with the tax dollars when employees were being terminated; and she believed it was not warranted to turn over \$250,000. Commissioner Gillooly advised the contract would allow for a six-month notice, and it would give the City an opportunity to look for a new city manager as well as give Mr. Turner an orderly way for him to seek other employment.

Commissioner Kent thanked Mr. Turner for the report. He advised this was very difficult to discuss, but it was a business, and business decisions had to be made. Commissioner Kent stated a good leader can not let these issues become clouded. Commissioner Kent reported he wished to hear from the public before making comments; however, on page three of the report relative to the airport greenbelt buffer encroachment issue, he asked what the cost was to the City.

Mr. Turner advised the cost was \$305,000.

Commissioner Kent asked if there was litigation remaining with that issue.

Mr. Hayes advised litigation was pending; but it has been inactive, and he did not believe there was any merit to the lawsuit, and the City's exposure was very minimal.

Commissioner Kent stated his first two evaluations of Mr. Turner were glowing, but one of his last evaluations expressed serious concerns.

Mr. Turner stated regarding the initial termination, the nine months of the severance package was not arbitrary because he returned the entire severance amount of six months to obtain the additional three months in his contract. He pointed out that the six months severance was his to keep, but due to his concern for the community, the severance was returned.

Commissioner Kelley stated Mr. Turner has accomplished a great deal since his arrival, and he was sure Mr. Turner would acknowledge he had assistance from a great staff, good commissions, and good direction; therefore, everyone can take some credit and some fault. He pointed out at the last meeting that he had concerns since February 2007. Commissioner Kelley reported this was not a one issue problem, and the final issue was merely a tipping point. He explained in the 2006 evaluation, Mr. Turner scored an average of 3.2 which was "performance meets expectations" and in February 2007 he scored 2.8 or 2.9, with as low as 2.4 and 2.6 on some of the items. Commissioner Kelley advised he indicated on the evaluation that there were some weak links within several departments that contributed to the overall effectiveness or ineffectiveness; there was opportunity for organizational changes to take the City where it needed to be; he would like to see change within a problem area corrected quickly. He advised that under personal qualities he stated "may be a little too nice at times," and "I think you're doing a good job, especially considering all that has happened during this past year. It is my opinion that the weakness is from weak links within directors of which you are responsible and have control; we don't. While I understand you're theory of praising in public/reprimanding in private, which I practice and support, sometimes we have to evaluate what results that gives you." He stated this was not a single issue, and he would have difficulty in continuing this relationship.

Commissioner Partington thanked Mr. Turner for the presentation and how he has handled this entire, very difficult, process. He stated there were many accomplishments Mr. Turner could be proud of, and he wished to celebrate those accomplishments. Commissioner Partington reported he has come to the conclusion that it was time for a change in the leadership. He stated the circumstances have been thoroughly discussed with nothing left to say. Commissioner Partington stated he concurred with Commissioner Gillooly; and while he wished to hear from the public before making a decision, he believed the six month notice would be the most orderly, logical, and fiscally responsible way to move forward. He advised he has been deliberating about this issue for weeks, worrying about Mr. Turner and what was best for Ormond Beach; and he was comfortable with the conclusions he has reached. Commissioner Partington noted he was excited for the City and Mr. Turner and his family because he believed it would be positive for everyone.

Mayor Costello stated he was proud of this Commission in that this was the best Commission with which he had ever served. He noted he loved the heart of Mr. Turner and the fact he was here to serve. Mayor Costello reported any position that was taken was done with pure intent.

Ms. Claire Hunter, 64 Kingsley Circle, stated while she was affiliated with a number of organizations, she was speaking only on her own behalf. She advised she appreciated the continued efforts by this Commission to make Ormond Beach the best that it can be. Ms. Hunter reported the Mayor, Commission members, and City Manager have made Ormond Beach the City of choice for families seeking an ideal place to live, work, and play. She thanked Mr. Turner for working with the Mayor and City Commission to improve Ormond Beach. Ms. Hunter advised during Mr. Turner's tenure there were many improvements, such as: a renovated Airport Sports Complex and championship field for families and youth; rehabilitation of the Nova Community Center road, parking and ball fields; partnering with Volusia County to provide additional off-beach parking; quality improvements to Central Park; strides in economic development with the annexation of 3,000 acres from Volusia County for the Ormond Crossings; obtaining 900 jobs; completing \$850,000 in TIF projects; updating the Downtown Master Plan; implementing a \$1.1 million TIF funding program for improvements at The Casement; completion of a new police station and two new fire stations; completion of a rewrite of the Land Development Code; and expediting a new permitting process. She reported that during her tenure as president of the Ormond Beach Chamber of Commerce, they enjoyed a very good relationship with the City, which never before existed. Ms. Hunter pointed out there will soon be a gateway sign at the gateway to the City, which was a testament to their collaboration. She noted the City was instrumental in the success of the American Cancer Society's Ormond Beach Relay for Life, and most money would come back to the community in services, education, and advocacy. Ms. Hunter advised Mr. Turner had many other accomplishments

and the Chamber of Commerce appreciated his service to the City, its citizens, and businesses. She reported if new leadership was the Commission's decision, she requested providing Mr. Turner an equitable severance, as he has served the City well.

Mr. Warren Anderson, 17 Tiffany Drive, stated while he lived in Ormond Beach for 28 years, he was a city manager in Ohio. He noted a city manager must be lenient and tough. Mr. Anderson offered to share his expertise with the City with no compensation.

Mr. Charles Carter, 212 Arlington Way, complained about numerous issues he felt were not addressed by the City government. He stated the ISO rating allows them to come to cities for reviews which would affect insurance rates. Mr. Carter noted each homeowner could obtain from \$0 to \$250 a month reduction on their insurance policies because of the ratings, but the City refuses to request the ISO inspection to obtain these savings. He stated the City could obtain federal government money to help needy people in the City, but they did not know how to spend the money for the past three to four years. Mr. Carter asked how long residents have been waiting for City signs. He noted Mayor Costello reported each person's debt for the expense of the City was \$145 which was reduced from over \$300; however, his personal debt in the 2006-07 audit was \$850, and it would increase for the next two years to \$1,250. Mr. Carter stated months ago he presented a plan for beachside parking, which was devastated by City staff, even though it was prepared by a professional engineering company who would have backed the figures. He reported Ormond Beach needed a beachside park, but what it has was a building that should have been torn down long ago. Mr. Carter advised Ormond Crossings was on hold until the situation improved. He noted the City just received the second one-year extension from Volusia County for a Community Redevelopment Area (CRA) because things that should have been done were not done.

Mayor Costello expressed frustration in having to listen to comments that he stated were not fully accurate knowing some people in the audience are not aware what was real and what was not real. He stated he was proud of the Commission for not voting for funding for some signs they would have preferred because the Commission was trying to be frugal. Mayor Costello reported a sign will be erected on US1 as a partnership with the Chamber of Commerce. He noted he looked forward to completing some of the signage. Mayor Costello advised the Commission has discussed an annual minimal budget to complete some of the needed signage. He reported he was ecstatic with the decisions being made regarding the use of grant money and praised the Neighborhood Improvement Advisory Board for their recommendations. Mayor Costello noted the Commission went to the people in the Community Development Block Grant priority areas to ask them what they considered the most critical need. He reported the City has done everything possible to lower the fire insurance for everyone.

Fire Chief Barry Baker stated he believed Mr. Carter was discussing the Insurance Services Offices (ISO) which typically comes to cities to rate them, but cities can call and ask them to come in for a rating sooner. He advised Ormond Beach did not ask for a rating because it was not ready to obtain a better rating. Chief Baker advised the City wanted to try to obtain the maximum credit, such as significant improvements to the water department and the City combined communication with Volusia County and other agencies. He reported these steps will help achieve a better rating, and ISO was scheduled to come in two weeks. Chief Baker cautioned against an expectation of a large savings when a very small portion of the homeowners' insurance deals with fire insurance. He advised the savings would probably be only one to two dollars for homeowners and slightly more for commercial and industrial use.

Mayor Costello questioned Mr. Lane regarding the dollars per capita.

Mr. Paul Lane, Finance Director, stated Mayor Costello was quoting General Obligation debt and Mr. Carter may be referencing total debt, which would include the debt supported by the utility system.

Mayor Costello asked that all of the numbers be provided in the Friday letter. He stated Mr. Carter referenced a building on the beach, which was an old hotel. Mayor Costello reported many believe the building should be torn down because it was ugly; but it was not a hazard, and it cannot legally be condemned just because it was ugly. He noted this and many other buildings were damaged in the hurricanes, and the owner has chosen not to do anything in that they were still negotiating with the insurance companies.

Mr. Turner stated he met with Mr. Joe Gillespie today and was informed that they were in federal litigation, and if the City should do something at this time, the City would get involved and it would cost the taxpayers money.

Mayor Costello urged anyone who believed Ormond Beach did not progress appropriately on the Ormond Crossings issue to talk to the state legislators, County Council members, or Washington legislators because Ormond Beach has proceeded to date far greater than it was thought could be possible. He advised he was very proud of what the Commission has accomplished on the Ormond Crossings issue. Mayor Costello noted he did not address every issue Mr. Carter mentioned in that he did not start taking notes of the issues as quickly as he should have.

Mayor Costello introduced Mr. Carl Persis who was a former Commission member, mayor, and currently County Council member.

Mr. Carl Persis, 3 Tidewater Drive, advised he understood this decision was very difficult. He tried to explain what happened on that horrific night in 2002. Mr. Persis stated at a January meeting a new Commission member's first action was to make a motion to terminate the City Manager; and he was astonished by the motion, but was also astounded by the motion quickly receiving a second. He reported the City Manager had a right to a public hearing so a meeting was scheduled for a short time later, and the chambers were filled to capacity with others listening outside. Mr. Persis reported the meeting started at 7:00 p.m.; and the public speakers concluded around midnight where 95% of the people urged the Commission not to terminate the City Manager. He stated the Commission voted three-to-two to terminate, and there was an eruption of angry people with the police trying to calm the crowd; and they escorted the Commission to the parking lot after the meeting. Mr. Persis noted this was a low point in the City of Ormond Beach. He reported that later that morning at about 3:30 a.m. he received a call from a radio talk show host stating the three Commission members voting for the termination changed their mind. Mr. Persis stated Ormond Beach was on the front page of the newspaper and a discussion on talk shows, with everyone laughing at the City because of the termination, and then because they changed their minds. He advised Ormond Beach was fodder for laughter, and then the Commission wanted Mr. Turner back; but Mr. Hayes indicated it was too late because he was terminated, and he was entitled to his severance pay. He reported this situation was humiliating for Mr. Turner and for the City. Mr. Persis reported he was told by the Commission to do whatever was necessary to "make it right" and bring Mr. Turner back. He advised Mr. Turner was a class act and did not go on the news shows or newspaper criticizing the Commissioners. Mr. Persis stated Mr. Turner came back; the City earned back a good reputation; it enjoys the best relationship with Volusia County it has ever had. He stated the relationship with Daytona Beach, which was horrible, was now great; and the relationship with the Chamber of Commerce has never been better. He noted what was in this room tonight pales in comparison to what took place in 2002. Mr. Persis advised the City would be hard pressed to find someone better than Mr. Turner.

Mr. Paul Duncan, 385 South Kings Road, advised he has known all of the city managers in Ormond Beach. He stated perfection should not be expected, but the first question should be whether the man was honorable and if he has integrity. He noted it was not disputed that Mr. Turner was honorable and has integrity. Mr. Duncan stated some issues could probably be laid at Mr. Turner's feet, but he believed Mr. Turner dealt with the issues in an honorable way. He noted while there have been problems, the question was if they could be corrected. Mr. Duncan recommended giving Mr. Turner the six months to reevaluate the situation to determine if he was able to correct the items of concern; and at that time, if the issues were not addressed, the Commission could let him go. He cautioned that not everything can be changed in six months, but the Commission could see if the patterns change in order to keep a good man in the right job.

Mr. John VanDerhoef, Palm Coast, reported he worked for the Ormond Beach Streets Department. He stated Mr. Turner was a good man. Mr. VanDerhoef advised Ormond Beach was taking care of its citizens, but he was not taking care of the employees. He reported the Commission was placing all of the blame on Mr. Turner when it was not only Mr. Turner who was at blame.

Mr. Doug Thomas, 132 River Bluff Drive, stated there were proactive, positive people and divisive people, and he was grateful the proactive people were the majority in Ormond Beach. He advised he had also met all of the city managers, and Mr. Turner was one of the easiest to deal with and talk to without trying to hide behind his staff. Mr. Thomas pointed out he and Mr. Turner had a recent disagreement, and Mr. Turner opened doors and worked to resolve the issue. He agreed the Commission's task was not pleasant. Mr. Thomas noted two Commission members expressed the desire to provide notice of termination six months hence; however, for the morale of the City, it was not wise to tell someone they must leave in six months. He stated should the Commission select that option there may be great harm to the City, and it was not fair to Mr. Turner in that he deserved better than that. Mr. Thomas reported Mr. Turner was a totally honorable man with the highest integrity, and it has been his pleasure to work with him.

He informed Mr. Turner that should he leave Ormond Beach, he would deem it an honor to be a reference for him.

Mr. Rick Boehm, 5 Springwood Trail, chairman of Recreation Advisory Board, reported when he was first involved with the Recreation Advisory Board, the City was not taking care of its facilities; but after Mr. Turner came on board, a budgeted item for facilities repair and renewal was implemented, which was an important achievement. He noted the Recreation Advisory Board has had contentious issues at times, and Mr. Turner was willing to take any and all questions and face people to discuss the issues. Mr. Boehm advised he was also a business owner and was aware that if someone was asked to resign, the employer has expressed a lack of confidence in their ability to manage, and he questioned what would happen if a crisis should occur in the time Mr. Turner was asked to stay. He noted it would be unfair to Mr. Turner to leave him here six months. Mr. Boehm questioned what would occur if Mr. Turner had a job offer in that interim. He noted while the Commission may not like the contract, they should live up to its provisions. Mr. Boehm stated if the Commission had no confidence in Mr. Turner, they should move forward right now.

Ms. Peggy Farmer, 4 Allenwood Look, stated she respected each Commission member and knew they took this issue very seriously. She pointed out Mr. Turner's reviews had been generally positive, and communication between people was very difficult. Ms. Farmer noted there were times when it was good to go through this type of pain when there was still a chance issues could be improved. She reported she was present when the City's relationship with the County was extremely strained, and Mr. Turner helped to turn that around to the great relationship that now exists. Ms. Farmer advised instability hurts organizations and cities. She pointed out Ormond Beach was still doing extremely well in spite of many challenges with complex issues. Ms. Farmer asked if this had to be decided tonight or if everyone could try to make this work for the good of the City.

Mayor Costello asked Mr. Lane to explain what the severance package would include.

Mr. Lane explained the total was approximately \$231,000 with \$102,516.75 representing nine months of Mr. Turner's salary and \$4,050 representing nine months of his vehicle allowance. He stated the accrued leave bank was not connected with the severance contract in that it was a benefit Mr. Turner has earned to date which totaled 1,190 hours or \$78,201.88. Mr. Lane reported the \$10,118.43 was the value of his health, vision, dental, and life insurance for his family for nine months. He stated the nine month accrued leave of \$11,828 was the benefit specified in Mr. Turner's severance contract that he would continue to accrue for nine months. Mr. Lane explained the \$21,252.53 was the deferred compensation adjustment against the items mentioned above minus the health insurance, and the estimated payroll taxes would be \$2,850 since he was maxed out for the purposes of FICA taxes for the year.

Commissioner Gillooly stated in response to an e-mail where she requested Mr. Lane prepare the breakdown he explained the contract states that the vehicle allowance, health insurance and accrued leave would continue to be provided over the nine months; therefore, these amounts do not need to be paid as a lump sum now, which would affect the FICA payout. She advised Mr. Turner's response in the e-mail was that he did not concur with some of the items as amounts would not have to be paid as a lump sum now, and he had concern as to whether some of the payments into the next calendar year were in conflict with federal payroll laws. Commissioner Gillooly reported the response indicated this was not consistent with previous payouts, and he offered to speak with Mr. Lane to come up with a mutually agreeable course of action depending upon the City Commission's actions tonight. She questioned if Mr. Lane researched this issue.

Mr. Lane stated there were two sections of the severance contract that were contradictory and confusing. He advised he was waiting for a determination from Mr. Hayes, but Section C of the contract specifies the City would continue to provide those benefits over a nine month period. Mr. Lane reported he would prefer to pay a lump sum rather than keeping Mr. Turner on the payroll for nine months.

Commissioner Gillooly stated if there was a consensus to terminate the City Manager and to exercise the legal points within the contract providing a written notice that in six months the City would terminate his employment allowing him time to seek employment and the City time to begin its search, it would be understood that he would have his accrued leave bank along with any additional leave time he accrued within that six months as that was outside of the severance package.

Mr. Turner advised the six months severance from the previous termination was his money and he gave the money back; but had he used the same rationale that was being used now, he

would not have given it back to the City. He noted he gave the money back because he believed it was the right thing to do and because of the three additional months he would gain. Mr. Turner pointed out the Commission had the responsibility to take care of him as a city manager, and they also have a fiduciary responsibility to citizens. He stated a six month lame duck period was not good for the employees or for the City. Mr. Turner advised the Commission could count on him to work as hard as possible to make it work; but if there was no opportunity to have a working relationship where the Commission could trust the information he provided to them, it would not make a beneficial situation for the organization or for him. He stated this has been incredibly stressful for him. Mr. Turner advised that if there was an opportunity to work through issues and redeem the Commission's trust, he would work to achieve that; but if a majority had made up their minds that there was no way to salvage the relationship, he urged the Commission to sever the relationship. He pointed out there was approximately \$30,000 difference between the six and nine months, and the City has already received \$56,000 to \$60,000 back from what was rightfully his at the time.

Mayor Costello called for a short break at 9:18 p.m. He reconvened the meeting at 9:24 p.m.

Mayor Costello reported he was proud of this Commission whatever decision they made. He stated what was occurring now and what occurred previously were totally different. Mayor Costello advised Mr. Turner has indicated it was the Commission's right and responsibility to evaluate him and do what they believed to be appropriate for the City of Ormond Beach. He explained integrity defines Mr. Turner. Mayor Costello noted at the end of the 2002 meeting at approximately 12:30 a.m. people erupted with anger at the Commission decision, and Mr. Turner went to the microphone and urged the people to calm down. He echoed what Mr. Thomas and Mr. Boehm recommended regarding the severance package.

Commissioner Kent stated in 2002 he came to City Hall for the first time and the chamber was packed and he could not get a seat. He stated that night he set a goal to take the Zone 2 seat. Commissioner Kent noted things changed in his life because of that night, and it helped direct him in an entirely new area. He reported it was with a heavy heart that he believed it was time to sever his and Mr. Turner's professional relationship, but he hoped not their personal relationship. Commissioner Kent stated Mr. Turner's giving the money back was incredible and unselfish. He stated Mr. Turner has earned what he believed was the right thing to do, which was to provide the nine month severance package in the contract.

Commissioner Kelley stated even if the Commission should decide Mr. Turner should stay for the six months, the accrued leave would still be due at that time. He reported he found it difficult to understand how Mr. Turner could accrue over four weeks per year, and this may have to be examined. Commissioner Kelley noted whatever should occur tonight, no other manager would be hired with a contract similar to Mr. Turner's contract. He reported he concurred with Commissioner Kent that the time has come for Mr. Turner to leave, but he earned this money. Commissioner Kelley advised he could not function another six months questioning Mr. Turner's decisions. He stated he agreed he did not want to sever their personal relationship, but it was time to sever their professional relationship in that the Commission's obligation was to the employees and the citizens as well. Commissioner Kelley advised he supported providing the severance package in Mr. Turner's contract.

Commissioner Partington reported he saw the wisdom on both sides. He stated the Commission was bound by the contract; and if the Commission accepted Mr. Turner's forced resignation, the City needed to accept its obligations.

Commissioner Gillooly stated she agreed it was challenging to remove the emotions and make a purely business decision. She noted Mr. Turner advised it would not be fair to him or to the City to decide on a six-month notification period. Commissioner Gillooly pointed out the first provision in the contract Mr. Turner signed indicated that in the event the Commission wished to terminate the employee, that the Commission agreed to provide six-months prior written notice of its intent to terminate the employee in order to enable the employee to obtain other employment; and in lieu of that advance notification, it continued on to discuss the severance package information. She explained she could understand where this contract came from because when Mr. Turner came back he was facing two years of the possibility of this happening again, so he had to protect himself; but it was important to clarify that this was a different circumstance. Commissioner Gillooly noted the Commission has heard from business people; however, the decisions these people made would affect money from their own finances, where this had to be paid with public funds. She reported a city manager's reputation and how he conducts himself publicly would matter to him as he moves forward. Commissioner Gillooly stated the City has taken care of Mr. Turner in that he has a generous salary and car allowance. She pointed out it was important for the City to pay for health insurance for City employees; but as part of Mr. Turner's contract, the City must also pay for his entire family's insurance.

Commissioner Gillooly stated Mr. Turner has had many accomplishments, but accomplishments were needed. She acknowledged Mr. Turner was still very responsive, but there have been other issues to consider. Commissioner Gillooly noted a speaker questioned, "Why blame everything on one person?" She noted the answer was that this was the structure of the organization, and the Commission can only hire and terminate the City Manager and City Attorney, and the City Manager was responsible for employees of the City. She reported her job was to look at all of the facts and understand how this would affect the City relative to tax obligations. Commissioner Gillooly questioned if Mr. Turner would remain the entire six months, because Mr. Turner would certainly not be conflicted should he receive another offer, noting he would obviously leave at that point, and the City would deal with that at the time. She pointed out the City needed to have a transition plan beneficial to both the City and Mr. Turner. Commissioner Gillooly stated should this six month plan be accepted, Mr. Turner would still obtain some of the funds as well as earning his salary. She reported she greatly appreciated Mr. Turner's willingness to return the money, but it bought him a great deal of respect. Commissioner Gillooly expressed agreement, with a heavy heart, with her fellow Commission members that it was time for a change and made one last plea to the Commission that, in the interest of the citizens, to exercise the option to give Mr. Turner six-months notice. She stated she believed he would do a professional job. She advised there would definitely need to be additional oversight; however, she suggested every 30 days having an update and status report with the City Manager.

Mayor Costello stated city managers typically last four to five years, and Mr. Turner has served the City over seven years.

Commissioner Gillooly moved to provide Mr. Turner written notification of six months to January 6, 2009, to sever the employment relationship with the City, and anytime within this period of time, should the city manager find other employment, he would be entitled to the accrued leave but would not be obligated to remain the entire six-month period. The motion died for lack of a second.

Mr. Hayes recommended including the spread sheet of the dollar values in any motion.

Mr. Turner advised he had not had the opportunity to check the actual numbers, but he assured the Commission Mr. Lane would be very prudent and make certain the numbers would be accurate.

Mayor Costello recommended using the current dollar values and adding a caveat that they were subject to request for amendment if the City Attorney and the Finance Director would recommend a change be made.

Mr. Hayes suggested incorporating a copy of the spreadsheet as a general reference tool as part of the motion; and if there were any issues on the final numbers, they could be brought back to the Commission for further resolution.

Commissioner Kelley moved, seconded by Commissioner Partington, to accept the forced resignation of Isaac Turner as City Manager, which would trigger the provisions of the contract and the severance package with a copy of the spreadsheet attached.

Call Vote:	Commissioner Gillooly	no
	Commissioner Kent	yes
	Commissioner Kelley	yes
	Commissioner Partington	yes
Carried.	Mayor Costello	yes

Mayor Costello stated he supported the Commission and their decision. He asked Mrs. Turner to join Isaac on the dais and presented them the Key to the City with great appreciation.

Mayor Costello called for a short break at 9:57 p.m. He reconvened the meeting at 10:02 p.m.

Mayor Costello stated an acting city manager needed to be appointed. He stated the acting city manager did not necessarily have to be the same person who the Commission should choose to be the interim city manager, although it could be the same person.

Commissioner Kelley stated it would be natural to assume Mr. MacLeod would assume the position.

Mayor Costello reported he had spoken to Mr. McLeod and advised that he agree to become acting city manager.

Commissioner Kelley moved, seconded by Commissioner Kent, to appoint Mr. Ted MacLeod as Acting City Manager.

Call Vote:	Commissioner Kent	yes
	Commissioner Kelley	yes
	Commissioner Partington	yes
	Commissioner Gillooly	yes
Carried.	Mayor Costello	yes

Mayor Costello recommended placing this on an agenda to appoint an Interim City Manager at the next meeting or at least within the period of a month.

Commissioner Gillooly recommended leaving the decision when to appoint an Interim City Manager to Mr. MacLeod's discretion.

Commissioner Kent stated he was confident with Mr. MacLeod's leadership until the City finds a new City Manager.

Mayor Costello advised he shared Commissioner Kent's confidence. He urged each Commission member speak to Mr. MacLeod to inform him what they would prefer relative to an interim city manager so the Commission could be prepared for that discussion when it should occur.

Mayor Costello requested the Commission think about the selection process for a city manager relative to: 1) using a consultant or headhunter to bring names to the Commission; 2) having Human Resources place ads; 3) forming a citizen committee; 4) having the Range Riders evaluate the applications; or 5) a hybrid of the above. He noted Mr. Eugene Miller acted as interim city manager in other cities, leading the team searching for their new city manager, and he was an Ormond Beach citizen. Mayor Costello stated the citizens should have input into establishing the criteria; it would then come to the Commission; the Commission could make the necessary changes; and then an advertisement could be placed. He reported when resumes are received, the committee could select perhaps seven names to present to the Commission; and the Commission could add to that list if there was a consensus. Mayor Costello urged this to be discussed at the next meeting in that he believed it important to start the process as quickly as possible.

Commissioner Kelley advised he would support seven rather than five members for a citizen committee made up of one appointment from each Commission member and three from Mayor Costello. He agreed the City should move on this quickly.

Commissioner Gillooly agreed there was a need to move quickly. She recommended either a workshop or a discussion item at the next City Commission meeting. Commissioner Gillooly noted there were ways the City could save money rather than using a consultant firm.

Mayor Costello noted the Range Riders evaluate applications and present ten or less applications that are not ranked. He stated the citizens' committee would provide a broader range and someone, such as Mr. Miller, could add another dimension.

Commissioner Gillooly expressed complete support.

Commissioner Partington expressed agreement to use Mr. Miller as a non-voting member on a seven-member citizen committee and have the City place advertisements in the appropriate journals and newspapers.

Mayor Costello advised he would invite Mr. Miller to come to the next meeting for this discussion. He asked that this be placed as an agenda item at the beginning of the meeting.

Mr. MacLeod stated there has been a great deal of turmoil in this organization during the past few weeks. He noted this processes would take approximately five months, and uncertainty was not good for the organization; therefore, he urged selecting an interim city manager as quickly as possible. Mr. MacLeod advised he would never be a candidate for a full time city manager.

Mayor Costello stated he would prefer the appointment of interim city manager on the next agenda, if possible, but he did not want to do so until Mr. MacLeod had an opportunity to speak to each member of the Commission individually.

City Commission – August 6, 2008

Item #5 – Audience Remarks

There were no audience remarks.

Item #6 - Approval of Minutes

Mayor Costello advised the minutes of the July 28, 2008, meeting had been sent to the Commissioners for review and asked if there were any corrections, additions, or omissions.

Mayor Costello stated that the minutes were approved as submitted.

Item #7(A) – Metropolitan Planning Organization and Item #7(B) – Volusia Council of Government

Mayor Costello reported he had nothing new to report on the Metropolitan Planning Organization (MPO) and the Volusia Council of Governments (VCOG).

Item #7(C) - Water Authority of Volusia

Commissioner Kelley advised he had nothing new to report on the Water Authority of Volusia (WAV).

Item #8 – Consent Agenda

Mayor Costello advised that the action proposed for each item on the Consent Agenda was so stated on the agenda. He asked if any member of the Commission had questions or wished to discuss any one or more of the items separately.

Commissioner Gillooly requested removing Item No. 8(D) for discussion.

Commissioner Kent moved, seconded by Commissioner Kelley, for approval of the Consent Agenda, minus Item No. 8(D).

Call Vote:	Commissioner Kelley	yes
	Commissioner Partington	yes
	Commissioner Gillooly	yes
	Commissioner Kent	yes
Carried.	Mayor Costello	yes

Item #8(D) - Florida League of Cities “Florida Cities of Excellence Award” Program

Commissioner Gillooly advised the Commission had the authority to hire only the City Attorney and City Manager. She expressed concern that it was not appropriate, as the employer, to appoint Mr. Hayes as City Attorney-of-the-Year; however, someone in the community could certainly do so. Commissioner Gillooly clarified this was not based on Mr. Hayes’ performance in any way, but because he was a direct employee of the Commission. She reported she fully supported the other nominations.

Mayor Costello reported this could be perceived several different ways. He stated he believed Commissioner Gillooly was going to state that the only people the Commission could nominate were those who they directly employed, and she would not want to support the City Clerk’s nomination. Mayor Costello advised he believed the Commission could nominate any of the positions.

Commissioner Gillooly stated she could not, in good conscience, support Mr. Hayes’ nomination for the reasons she noted.

Mayor Costello pointed out he asked not to be considered for Mayor-of-the-Year.

Commissioner Partington asked Mayor Costello to put his feelings aside and yield to what was best for the City by allowing his name to be included. He noted Mayor Costello was extremely humble, but he deserved the recognition.

Commissioner Kent stated he respected Mayor Costello’s feelings, but the nomination was deserved.

Commissioner Kelley stated he would not respect Mayor Costello’s wishes because Ormond Beach would not be where it was today without Mayor Costello’s leadership.

Mayor Costello stated he was honored, but it did not seem appropriate tonight under the present circumstances.

Commissioner Gillooly noted agreement with Commissioner Kelley and questioned if Mayor Costello could be nominated without his consent.

Mayor Costello reported everyone was proud of what had been accomplished in Ormond Beach, and he offered to accept his name being entered if Mr. Hayes was also included. He stated a mayor and a manager have a special relationship, and he had a special relationship with Mr. Turner.

Commissioner Gillooly reiterated she could not accept that concession, as she did not believe it was appropriate to vote for Mr. Hayes.

Commissioner Kent thanked each nominee and noted each were very deserving.

Commissioner Kent moved, seconded by Commissioner Partington, to approve the nominations to the Florida League of Cities “Florida Cities of Excellence Award” Program with the addition of Mayor Costello as Mayor-of-the-Year.

Call Vote on the Amendment:	Commissioner Partington	yes
	Commissioner Gillooly	yes
	Commissioner Kent	yes
	Commissioner Kelley	yes
Carried.	Mayor Costello	yes

Call Vote as Amended:	Commissioner Gillooly	no
	Commissioner Kent	yes
	Commissioner Kelley	yes
	Commissioner Partington	yes
Carried.	Mayor Costello	yes

Item #9 – Pensions and Retirement

ORDINANCE NO. 2008-35
 AN ORDINANCE OF THE CITY OF ORMOND BEACH, FLORIDA, AMENDING ARTICLE I, IN GENERAL, OF CHAPTER 16, PENSIONS AND RETIREMENT, OF THE CODE OF ORDINANCES, BY AMENDING SECTION 16-6, BENEFIT AMOUNTS AND ELIGIBILITY; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Kent, to approve Ordinance No. 2008-35, on second reading, as read by title only.

Call Vote:	Commissioner Kent	yes
	Commissioner Kelley	yes
	Commissioner Partington	yes
	Commissioner Gillooly	no
Carried.	Mayor Costello	no

Commissioner Kelley stated he believed this was the right thing to do; and when the numbers would be examined, the savings would be overwhelming, making the Commission glad they waited for a vote of the full Commission.

Item #10 – Amending the Annual Budget for Fiscal Year 2007-2008

ORDINANCE NO. 2008-36
 AN ORDINANCE AMENDING THE ANNUAL BUDGET FOR FISCAL YEAR 2007-2008 BY AMENDING THE GENERAL FUND; THE PENSION CONTRIBUTION PASS THRU; THE FACILITIES RENEWAL AND REPLACEMENT FUND; FIRE STATION #92 FUND; FIRE STATION #91 FUND; THE WATER/WASTEWATER FUND; THE WATER IMPACT FEES FUND; AND THE WORKERS’ COMPENSATION INSURANCE FUND; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Kent, to approve Ordinance No. 2008-36, on first reading, as read by title only.

Call Vote:	Commissioner Kelley	yes
	Commissioner Partington	yes
	Commissioner Gillooly	yes
	Commissioner Kent	yes
Carried.	Mayor Costello	yes

Item #11(A) – Animal Housing Agreement with Flagler Humane Society, Inc.

RESOLUTION NO. 2008-133

A RESOLUTION AUTHORIZING THE EXECUTION OF AN ANIMAL HOUSING AGREEMENT BETWEEN THE CITY AND FLAGLER HUMANE SOCIETY, INC; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Kent, to approve Resolution No. 2008-133, as read by title only.

Commissioner Gillooly advised her intent in pulling this item last week was not to spend more money, but to make one more attempt to speak to the Halifax Humane Society, hoping to support the local facility. She noted she wished to ascertain if they could match the cost quoted by Flagler County. Commissioner Gillooly noted she spoke to the director on a number of occasions, and they could not meet the cost. She clarified that any humane society's intent was to find homes for animals, but there are more pets than loving homes. Commissioner Gillooly stated the significant cost difference was something she could not ignore. She advised she received an e-mail from a constituent recommending Ormond Beach consider a spay/neuter ordinance such as Volusia County adopted. Commissioner Gillooly reported she would continue to work on that issue. She noted pets taken to Flagler County do not have a home yet; and at some point they may come to a point where their capacity may reach the point they may have to euthanize the animals as the Halifax Humane Society does. Commissioner Gillooly reported she supported this contract; but at some time in the future, this could be reexamined.

Commissioner Kelley explained an occurrence regarding a stray dog where he called the Halifax Humane Society, which provided information to call Ormond Beach, Flagler County, and Volusia County. He stated after calling Ormond Beach Animal Control he received a call back within 45 minutes, but the owner was found within that time period. He suggested the person responsible for answering have a cell phone to eliminate the need for them to call back; however, it worked very well.

Mayor Costello urged Mr. MacLeod to determine if there was a better way to handle the phone system and to check if the County spay/neuter ordinance was active in Ormond Beach or if the City needed to pass an ordinance.

Commissioner Kelley advised the ordinance was only for the unincorporated area of Volusia County.

Mayor Costello questioned if the City would incur a financial obligation if it should pass the ordinance or if it would be under the auspices of the County. He requested a report which would include all the ramifications and benefits.

Call Vote:	Commissioner Partington	yes
	Commissioner Gillooly	yes
	Commissioner Kent	yes
	Commissioner Kelley	yes
Carried.	Mayor Costello	yes

Item #11(B) – Community Development Block Grant Subrecipient Agreement

RESOLUTION NO. 2008-141

A RESOLUTION AUTHORIZING THE EXECUTION OF A COMMUNITY DEVELOPMENT BLOCK GRANT SUBRECIPIENT AGREEMENT FOR FISCAL YEAR 2007-2008 BETWEEN THE CITY AND THE COUNTY OF VOLUSIA; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Kent, to approve Resolution No. 2008-141, as read by title only.

Call Vote:	Commissioner Gillooly	yes
	Commissioner Kent	yes
	Commissioner Kelley	yes
	Commissioner Partington	yes
Carried.	Mayor Costello	yes

Item #12 – Reports, Suggestions, Requests

Mr. Warren Anderson

Commissioner Gillooly acknowledged Mr. Warren Anderson who was a city manager in Ohio. She noted after Mr. Anderson made a call; information was sent to him from Ohio regarding budget problems, and Mr. Anderson shared that information with the City. Commissioner Gillooly thanked residents such as Mr. Anderson for taking such an initiative.

National Night Out

Commissioner Gillooly stated National Night Out has grown quickly. She commended staff and organizations who worked on this event. Commissioner Gillooly reported she was impressed with the extent, diversity, and the number of families involved.

Ticket on Clyde Morris Boulevard

Commissioner Gillooly thanked Police Chief Michael Longfellow for being extremely responsive to her inquiries. She reported there was an unfortunate newspaper article regarding a woman who was ticketed on Clyde Morris Boulevard, who warned other people about being ticketed. Commissioner Gillooly noted she was not questioning a police officer's decision, but she felt the City needed to be more aware of situations and anticipate what could become an issue. She stated she was pleased the work was being done in that it would be a help in moving traffic, safety, and quality of life issues; however, at this moment, it was causing consternation for the physician offices. Commissioner Gillooly urged these types of situations should be examined and proactive measures taken, such as through signage, to insure people understand more clearly.

Mr. Isaac Turner

Commissioner Gillooly reported she appreciated being a part of this Commission, and she thanked the citizens for taking their time to come out to speak to the Commission. She advised she would miss Mr. Turner and wished nothing but the best for him.

Ticket on Clyde Morris Boulevard

Commissioner Kent stated he saw the signs and did not have any issues with congestion on Clyde Morris Boulevard.

National Night Out

Commissioner Kent stated he had a great time at National Night Out last night. He thanked staff for their efforts.

CDBG Funds

Commissioner Kent stated at his last "Coffee with the Commissioner" there was a large turnout, and they had a discussion exclusively about the Community Development Block Grant (CDBG) eligible activities. He thanked Mr. Tom Lipps, Support Services Director, for his assistance. Commissioner Kent reported whenever someone chose a project that would help people, they were told that the funds could not be used for social services. He advised Mr. Lipps was researching to find more information on the recommendations that were selected. Commissioner Kent stated he believed it was a great think tank, and they were on the right track. He assured everyone they were working on this issue, and there was great representation from not only Zone 2, but all zones.

Ticket on Clyde Morris Boulevard

Commissioner Kelley stated the Police Department did an excellent job, and caving in to someone who wanted to make an issue out of something was wrong. He noted the City can not direct and control private property using it as an access. Commissioner Kelley noted there were 143 photographs of the signs telling people about the intersection. He reported one person decided to violate the law. Commissioner Kelley advised the Police Department was not overzealous, and it was not up to the Commission to tell the Police Department when to give and not to give a ticket. He pointed out this would only be for a 14 day period. Commissioner Kelley stated he believed the person getting the \$141 ticket deserved it because she disobeyed

the law. He pointed out should someone have been hurt, the City would have been liable if they directed traffic through private property.

Meetings

Commissioner Kelley stated the Commission did not seem to have adequate time to discuss issues. He recommended a 5:30 p.m. meeting on a quarterly basis to discuss issues.

Mr. Isaac Turner

Commissioner Kelley stated dealing with the city manager issue was one of the toughest decisions he has had to make, and he wished Mr. Turner and his family all the best.

Commissioner Partington stated he agreed this was a heavy burden for the Commission, and it was especially difficult for Mr. and Mrs. Turner. He reported he hoped and prayed this was the best thing for Ormond Beach at this time.

Drainage Issue

Commissioner Partington stated he sent e-mails regarding a drainage issue, and he hoped they did not sound curt. He stated he could not understand how if staff cleared the debris from a storm grate, the policy was not to clean it up and send a certified letter to the property owner stating the City cleaned the grate this time, but it was the property owner's responsibility, and in the future it was their responsibility to maintain the storm grate. Commissioner Partington asked for a report on this issue and to make sure this does not occur in the future. He stated he understood the homeowner's concerns and believed it was appropriate to push this issue for the residents and taxpayers.

Insurance Premium

Commissioner Partington stated he believed the City should have been able to request a lower premium from the provider due to the City's low claims rate. He reported the agent of record can act as a representative of the City, and they have a fiduciary responsibility to protect taxpayers. Commissioner Partington urged determining if there has been a breach of that fiduciary responsibility with the City's agent of record, and what the remedy would be if there were; therefore, he requested a report on this issue.

Halifax Habitat for Humanity Event

Commissioner Partington stated he attended the Halifax Habitat for Humanity event at the speedway with Joe Gibbs, which was run extremely well. He reported this event jelled well with the Halifax Habitat for Humanity mission.

Commissioner Gillooly stated this event was a great success because of the graciousness of Daytona International Speedway. She advised they were hoping to make this an annual event. Commissioner Gillooly thanked Commissioner Partington for his support.

Agent of Record

Mayor Costello stated Brown & Brown asked that they be provided the raw proposals to evaluate as if they were the agent of record, for no financial compensation, in order to provide a recommendation to the Commission. He reported he wanted to make certain there were no unresolved issues regarding the agent of record.

Mr. MacLeod reported he believed the City was doing what was necessary. He noted staff would provide a spreadsheet delineating all of the options, and the Commission would make the decision. Mr. MacLeod stated if Commissioner Partington had something more specific, he recommended they discuss the issue.

Drainage

Mr. MacLeod stated staff was addressing the drainage issue and would provide a report. He noted some of Commissioner Partington's e-mails may have come across rather curt, but that was because e-mails tend to come across that way; therefore, he recommended the Commission have more face-to-face meetings or telephone calls rather than sending e-mails.

Mayor-of-the-Year

Mayor Costello thanked everyone for the honor of nominating him for Mayor-of-the-Year.

National Night Out

Mayor Costello stated National Night Out was a great event.

Ticket on Clyde Morris Boulevard

Mayor Costello advised he loved Commissioner Kelley's comment regarding the ticketing on Clyde Morris Boulevard and explained his willingness to pay the woman's ticket was because

this person was willing to stand for six hours trying to help people. He reported he preferred warnings to tickets; but he agreed the woman deserved the ticket, and he supported the Police Department giving whatever tickets they need to give. Mayor Costello pointed out the goal was to change the behavior.

E-mails

Mayor Costello reported he preferred e-mails because he could work on them between patients.

Mr. Isaac Turner

Mayor Costello reported he was proud of the Commission on how the City Manager issue was handled as it was the most awkward situation the Commission would ever face as elected officials in that it involved someone the Commission respected and appreciated. He stated he believed Mr. Turner would blossom and grow from the shortcomings the Commission had articulated.

Item #13 - Close the Meeting

The meeting was adjourned at 11:15 p.m.

APPROVED: _____ August 19, 2008 _____

BY: _____
Fred Costello, Mayor

ATTEST:

Veronica Patterson, City Clerk