

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

September 19, 2006 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 Theodore MacLeod, City Attorney Randy Hayes, and City Clerk Veronica Patterson.

A G E N D A

- 1) Meeting call to order by Mayor Costello.
- 2) Invocation by Reverend John Cole, Christ United Presbyterian Church.
- 3) Pledge of Allegiance.
- 4) **SECOND PUBLIC HEARING – FY 2006-2007 MILLAGE RATES/BUDGET:**
 - A) Resolution No. 2006-188 establishing the final millage rates to be levied for Fiscal Year 2006-2007; directing certification; expressing legislative intent. (Operating millage rate of 3.44004; debt service millage rates of 0.4062 and 0.036)
 - B) Second Reading of Ordinance No. 2006-12 adopting the Annual Budget for the 2006-2007 Fiscal Year beginning October 1, 2006, and ending September 30, 2007; repealing all inconsistent ordinances or parts thereof. (\$111,583,073)
- 5) **AUDIENCE REMARKS:**
- 6) **APPROVAL OF THE MINUTES** of the September 6, 2006, meeting.
 - **PRESENTATION:** Proclamation in honor of City employees for efforts on behalf of the American Heart Association.
- 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. 2006-189 renewing an engagement letter between the City and Samuel P. Bell, III, of Pennington, Moore, Wilkinson, Bell & Dunbar, P.A., regarding legislative lobbying services for the 2007 Florida legislative session; authorizing the execution thereof. (\$30,000 plus expenses not-to-exceed \$1,000)
 - B) Resolution No. 2006-190 authorizing the execution of a service contract between the City and the Ormond Beach Chamber of Commerce. (\$29,000)
 - C) Resolution No. 2006-191 authorizing the execution of a service agreement between the City and Ormond Main Street, Inc. (\$34,000)
 - D) Resolution No. 2006-192 authorizing the execution of an agreement between the City and the Volusia County Metropolitan Planning Organization in support of planning and funding of Volusia County transportation system projects; authorizing the expenditure of funding. (\$3,968)
 - E) Resolution No. 2006-193 authorizing the execution of a Cooperative Business Development Agreement between the City and Daytona Beach/Halifax Area Chamber of Commerce, Inc. (\$18,150)
 - F) Resolution No. 2006-194 authorizing the acceptance of a Drainage and Access Easement Deed from Linda L. Thompson, n/k/a Linda L. Walker on property located at 92 Orchard Street.

- G) Resolution No. 2006-195 authorizing the execution of an easement deed in favor of Florida Power & Light Company granting a ten-foot wide easement located at 364 South Atlantic Avenue (Fire Station No. 91 property).
- H) FDOT Joint Participation Agreement Amendments:
- 1) Resolution No. 2006-196 authorizing the execution of a Joint Participation Agreement Amendment between the City and Florida Department of Transportation regarding obstruction removal at the Ormond Beach Municipal Airport.
 - 2) Resolution No. 2006-197 authorizing the execution of a Joint Participation Agreement Amendment between the City and Florida Department of Transportation regarding the installation of a security fence at the Ormond Beach Municipal Airport.
 - 3) Resolution No. 2006-198 authorizing the execution of a Joint Participation Agreement Amendment between the City and Florida Department of Transportation regarding the rehabilitation of Runway 17-35 at the Ormond Beach Municipal Airport.
- I) Resolution No. 2006-199 authorizing the execution of Change Order No. 1 to that contract awarded to Wiring Technologies, Inc., regarding the Breakaway Trails Alternate Irrigation Water Supply project; by decreasing the contract price by \$71,915.75 and increasing the contract time by 71 days. (\$247,070.25 total contract price; 221 total contract days)
- J) Resolution No. 2006-200 authorizing the execution of Change Order No. 1 to that contract awarded to Wiring Technologies, Inc., regarding the US1 Water Main Crossings project; by decreasing the contract price by \$62,389 and increasing the contract time by 60 days. (\$187,597 total contract price; 180 total contract days)
- K) Resolution No. 2006-201 accepting a proposal from Midwest Employers Casualty Company to provide excess workers' compensation insurance for the City; rejecting all other proposals; authorizing the execution of an agreement and payment therefor. (\$48,585)
- L) Resolution No. 2006-202 accepting the proposal of Brown & Brown Insurance regarding the renewal of property insurance services; authorizing the execution of an agreement and payment therefor. (\$465,003)
- M) Resolution No. 2006-208 appointing Jerry Kane as a member to serve on the Budget Advisory Board; setting forth term and conditions of service.
- N) Closing of Riverside Drive for various special events during 2006-07.
- DISPOSITION: Approve as recommended in City Manager memorandum dated September 14, 2006.
- O) Review of 2005-06 budget status.
- DISPOSITION: Approve as recommended in City Manager memorandum dated September 14, 2006.
- 9) **PUBLIC HEARING** regarding Resolution No. 2006-203 authorizing the execution and issuance of a Development Order for "East Coast Community Bank" Special Exception on a site located at 1240 West Granada Boulevard, within the B-10 (Suburban Boulevard) zoning district; approving a traffic mitigation plan to allow the development of an office/bank facility; establishing conditions and expiration date of approval.
- 10) **SECOND READING OF ORDINANCES:**
- A) Ordinance No. 2006-13 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 16-75, Contributions.

- B) Ordinance No. 2006-14 amending Sections 22-23, 22-24 and 22-71 of Chapter 22, Water and Sewers, of the Code of Ordinances, by increasing the minimum water and sewer rates.

11) **FIRST READING OF ORDINANCES:**

- A) Ordinance No. 2006-15 approving the preliminary/final plat for the “Airport Business Park, Tower Circle Extension,” a replat of “Airport Business Park,” Phase II; establishing conditions and expiration date of approval.
- B) Ordinance No. 2006-16 amending Chapter 23, Sexual Offenders and Sexual Predators, of the Code of Ordinances of the City of Ormond Beach, Florida, by amending Section 23-3, Sexual Offender and Sexual Predator Residence Prohibition; Penalties; Exceptions, to include out of state offenses.

12) **RESOLUTIONS:**

- A) Resolution No. 2006-204 approving the preliminary plat for the “Enclave at North Pointe” subdivision located on the east side of Tymber Creek Road, just north of the Southern Pines subdivision; establishing conditions and expiration date of approval.
- B) Resolution No. 2006-205 authorizing a comprehensive settlement between the city of Ormond Beach and the City of Daytona Beach regarding water and wastewater service issues and related issues; authorizing the execution of a Settlement Agreement and Mutual Release of Claims, a Second Amended Water and Sewer Service Area Agreement, an Interlocal Wholesale Water and Wastewater Service Agreement, and an Interlocal Agreement for the Operation, Administration and Maintenance of Finished Water Interconnects East of I-95.
- C) Resolution No. 2006-206 authorizing the execution of Change Order No. 1 to that contract awarded to Meadors Construction Company, Inc., regarding the Water Treatment Plant Expansion project; by increasing the contract price by \$3,718,000. (\$15,178,000 total contract price – Additional 2 mgd expansion for a total of 12 mgd)
- D) Resolution No. 2006-207 approving and authorizing the execution of an additional Work Authorization with Camp Dresser & McKee, Inc., regarding the Water Treatment Plant Expansion project. (Not-to-exceed \$222,635)

13) **DISCUSSION ITEMS:**

- A) Strategic Economic Development Plan.
- B) Public information – Charter referendum on building heights.
- C) Off-beach parking funding options.
- D) Birthplace of Speed parking.
- E) Affordable housing.
- F) Police/Fire pension board perspective.
- G) Port Orange/Ormond Beach development processes.
- H) Amendment to Resolution No. 2006-182, Rules of Parliamentary Procedure.

14) **AUDIENCE REMARKS** (Continued if necessary):

- 15) **REPORTS, SUGGESTIONS, REQUESTS:** Mayor, City Commission, City Manager, City Attorney.

16) **CLOSE THE MEETING.**

Item #1 - Call to Order

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

Item #2 - Invocation

Reverend John Cole, Christ United Presbyterian Church, gave the invocation.

Item #3 - Pledge of Allegiance

Mayor Costello led the Pledge of Allegiance.

Item #4(A) - Adopting Proposed Millage

RESOLUTION NO. 2006-188
A RESOLUTION ESTABLISHING THE FINAL MILLAGE RATES
TO BE LEVIED FOR FISCAL YEAR 2006-2007; DIRECTING
CERTIFICATION; EXPRESSING LEGISLATIVE INTENT; AND
SETTING FORTH AN EFFECTIVE DATE.

Mayor Costello opened the Public Hearing. He reported per *Florida Statutes*, he was required to state that the proposed millage rate for the City of Ormond Beach necessary to fund the FY 2006-07 budget was 3.44004 mills. He advised that this would be an 11.85% tax increase over the rolled back rate of 3.07550. Mayor Costello reported the proposed debt service millage rates were 0.4062 for the 2002 General Obligation Bond (GOB) Sinking Fund and 0.036 for the 2003 GOB Sinking Fund.

Mr. Glenn Jasper, 160 Ocean Terrace, stated while most businesses were cutting positions, Ormond Beach added seven new positions. He noted people should insist on commitments from candidates before they are elected to office.

Mayor Costello stated the newspaper article indicating the City hired seven new positions was incorrect. He explained the position of assistant police chief was eliminated and a police officer and an office assistant in the Neighborhood Improvement Department were added. Mayor Costello reported two sludge haulers and a driver in the Water and Wastewater Department were added, but that was offset by what the City was paying outside personnel to accomplish those positions' duties. He stated the City created two positions for firefighters in FY 2005-06, but they were offset by the decrease in the cost of overtime.

Mayor Costello welcomed Daytona Beach Commissioner Sheila McKay to the meeting.

Mr. Chris Jessup, 139 Fairway Drive, requested the Commission consider lowering the millage rate.

Mr. Charles Carter, 212 Arlington Way, stated the total budget was \$111 million, and of that the General Fund was \$30 million, and the Enterprise Funds were \$52 million. He urged the City to address the Enterprise Funds in the same manner the General Fund was addressed. Mr. Carter questioned if the water plant issues were being handled and what the costs were. He reported last Wednesday he hand carried a written request for information, and he received a call today that part of the information was available while the other portion of his request was not yet available. Mr. Carter pointed out there was to be a 16% reserve starting next year. He questioned the \$200,000 allocation for both Fire Station 91 and Fire Station 92, noting this should be in the Fire Department's budget if it was for operational needs, and there was a separate construction fund for the fire stations. Mr. Carter asked if a list existed of which employees would receive what percent of a salary increase and if the public was able to comment on employees' raises. Mr. Carter noted the City would earn only \$155,000 in interest, and he requested a spreadsheet be made available indicating where the money would be spent since the City should make at least 3% on \$15 million. Mr. Carter expressed concern for the money being spent in the Pension Fund and the Vehicle Fund. He recommended delaying some expenditure. Mr. Carter noted not a single cut was offered other than the \$300,000 for the land purchase, and he urged the City to go to rollback.

Mayor Costello stated the \$111 million budget was a 1% decrease over last year. He explained almost the entire \$2 million increase in the General Fund came from property taxes, and the other budgeting revenue sources were flat. Mayor Costello noted this increase in percentage over rollback was the second lowest in Volusia County. He explained the Enterprise Funds were water, stormwater, and garbage funds, which were self-sustaining funds, and that was why they are separated from the General Fund. Mayor Costello stated this was the second of a three year union contract for employee salaries. He explained the City had no control over the Pension Fund, and the increase was simply a cost of doing business and what was occurring in the market. Mayor Costello reported vehicle replacement was on a schedule with a goal to

spend the least amount of money on the vehicle as well as on maintenance and repair. He noted replacement was delayed whenever possible.

Mr. Bruce Teeters, 567 North Beach Street, stated if property assessments were lower, the City would have controlled costs. He noted this 17% increase follows a 30% increase last year. Mr. Teeters pointed out that when employees receive a pay increase, that increase continues forever; therefore, this 17% increase was not only for this year, but for all the years to come. He expressed concern for the small business owners who find it difficult to run a business and pay these large tax increases.

Mayor Costello stated the increase was closer to 12%, not 17%. He stated due to the "Save Our Homes" amendment, 96% of the increased dollars come from the small business owners and non-homesteaded properties. Mayor Costello explained homesteaded taxpayers would actually have a decrease in their taxes this year. He noted he voted against the union contracts, but the current Commission indicated they would work to hold the line on the increases next year, allowing the Commission to be more conservative during next year's budget negotiations.

Mr. Tom Blawn, 319 River Bluff Drive, stated the County taxes increased 20%, and Ormond Beach's increase was lower than other municipalities. He noted the rate must be considered a combined rate. Mr. Blawn noted the property appraiser set the trend provided the impetus for the taxing authorities. He urged a drive to bring the millage rate in the entire County under .2. Mr. Blawn explained the high millage rate in the County had a direct correlation to the economic development of the area. He pointed out Ormond Beach was a small portion of the total tax bill and that the School Board was keeping its entire \$72 million increase for capital projects. He explained the real estate was inflated, and government coffers were being filled with inflated taxes. Mr. Blawn urged each taxing authority to lower their taxes slightly.

Mayor Costello stated the tax assessor was not to blame for the increased assessments in that he merely measures values. He noted the market was to blame. Mayor Costello advised he expected assessments to go down next year. He reported Ormond Beach was a small portion of the total tax bill. Mayor Costello stated the question that should be asked was whether the people receive value for their money paid to Ormond Beach. He noted he believed Governor Jeb Bush wanted to leave a legacy of tax reform, which was why he had a task force studying this issue.

Mr. Micky Pedersen, 17 Greenville Drive, thanked the Commission for making an effort to lower taxes. He stated he was in the contracting industry, and this industry has come to a stop leaving people unemployed. Mr. Pedersen noted a strategy being employed was that subcontractors were asked to cut cost or lose their jobs, and they were able to cut costs, and the City could do the same cutting costs. He recommended considering decreases in Ormond Beach rather than increases.

Mayor Costello stated the Commission asked staff to look into changing to a defined contribution pension plan for new employees rather than keeping the defined benefit plan for all employees. He noted in this way the City would place a defined amount into a fund, and if the market would go down, the City would not make up the difference. Mayor Costello noted this could minimize the amount of money future taxpayers would have to pay for staff pensions.

Mr. Sean O'Sullivan, 27 Acanthus Circle, expressed appreciation for the Commission's efforts to pare back the budget, but noted it falls woefully short. He stated Mr. Turner needed to scrutinize every department and consider every aspect of the budget such as using smaller police cars. Mr. O'Sullivan noted it should not be difficult to pare back every department's budget by 5% of their operating costs. He stated it was difficult for citizens to pay these large tax increases.

Mayor Costello stated staffing in the General Fund was over 70% of the cost, so if the City was able to cut costs in each department by 5% the savings would be minimal. He advised staff has already done that. Mayor Costello noted the operational budgets were not increased; insurance had doubled and utilities increased, although franchise fees have increased. He explained staff spent many hours with the Commission working on the budget individually and collectively.

Mr. Isaac Turner, City Manager, stated staff had been working on this budget since March, and it input was provided from various boards. He explained the predominant amount of cost in the General Fund was salaries so the City focused its attention on that issue. Mr. Turner noted when a position becomes vacant, the departments must justify the replacement. He explained the City was able to maintain costs on supplies and operations. Mr. Turner reported the

Commission examined all of the sources of revenue available to the City as well as the expenses. He pointed out the City had a five-year plan for construction projects and vehicles. Mr. Turner noted a great deal of scrutiny goes into the budget process. He explained privatizations have occurred; the City goes through a bidding process for contracts; and the City takes advantage of State contracts to obtain a larger pool of resources to lower costs. Mr. Turner reported staff tried to identify savings continuously throughout the year. He noted as a result of this long process, a relatively small increase was being requested.

Ms. Kelly McGuire, Budget Director, stated the \$200,000 for Fire Station 92 related to vehicles, not construction. She reported the \$200,000 for Fire Station #91 was to finish anything that was not completed by September 30, including playground equipment, furniture, and fixtures. Ms. McGuire reported the City was not earning 1%, but was earning 5.5%.

Mayor Costello explained the land for the beachside fire station would include a small neighborhood park.

Commissioner Kelley moved, seconded by Commissioner Partington, to adopt an operating millage rate of 3.44004 mills and debt service millage rates of 0.4062 and 0.036.

Commissioner Kelley stated the Commission worked hard to keep the tax rate down, and he noted anyone homesteaded would pay less this year than last year. Commissioner Kelley reported last year he made a promise there would not be a tax rate increase this year, or next year and the Commission actually rolled the tax rate back. He noted due to the Truth in Millage Act, it must be considered an increase. Commissioner Kelley stated it took more money to operate the City. Commissioner Kelley explained the City was spending \$1.5 million more per year over a three year period than what staff recommended due to the employment contracts passed two years ago totaling \$15 million over ten years, and the City must pay for that along with the other expenses. He reported the City received \$1,116,000 of additional revenue from ad valorem taxes to go into the General Fund; new development generated \$267,000; the additional salary costs and benefits were \$1,176,000; and \$2,154,798 must be contributed to the pension fund this year. Commissioner Kelley explained whenever salaries are increased, there must be an allocation for retirement. He noted these expenses are fixed and cannot be changed. Commissioner Kelley stated property taxes only cover \$9,600,000 of the General Fund, which was 45% of the employee total cost. He reported the City would have to spend \$200,000 more on fuel this year than last year; property insurances increased; utilities increased \$125,000; and the City allocated \$300,000 for the purchase of off-beach parking; but that did not include the maintenance for facilities item of \$565,000. Commissioner Kelley noted City facilities had been neglected, and this Commission was dedicated to bringing the facilities up, and when considering a capital project, to consider the cost to maintain the facility. He reported the many meetings held were all open to the public where the Commission scrutinized every capital project, every department by number of employees, and did a good job of scaling back. Commissioner Kelley pointed out the City voted to tax itself for some items, such as the ECHO program. He noted the Commission had been very frugal, and it impacted the prospect of economic development.

Commissioner Gillooly stated in March the Commission started this process with public meetings, one-on-one meetings, and reports. She advised there were many projects in this budget that the citizens had requested but which had been postponed for years. Commissioner Gillooly reported the Commission increased funding for repairs and renewal that was greatly needed because previous Commissions made the decision to hold off maintenance, repair, and replacement in order to keep the taxes low; but that action backfired, causing replacements being needed rather than minor repairs. She explained the Commission made a pledge not to use fund balance for recurring debt as had been done in the past. Commissioner Gillooly expressed the importance of having funds to rely on in case of emergencies. She noted the natural response when examining any budget was to trim from the area of the largest area of the budget. Commissioner Gillooly stated the only way to hold the line was to do so as a group, being conservative and strong to consider smaller increases or even decreases. She explained she understood the cut was not low enough, but the Commission had made a number of cuts. She urged the concerned residents here tonight to attend the budget workshops. Commissioner Gillooly clarified the \$300,000 for off-beach parking was now coming from the fund balance and was a one-time symbolic fund. She reported a bond referendum would be offered to decide if there was sufficient interest to fund the proposed off-beach parking.

Commissioner Kent stated the employees were not to blame in that they were necessary, but the Commission would hold a tighter line on salaries this year than in other years. He reported he did not consider 6% to be too much for firefighters or police officers, especially compared to other communities. Commissioner Kent recommended staying in line with other cities in order

to keep and obtain good employees. He stated the Budget Advisory Board came up with a plan, and the City was now seeing the fruits of their labor in repairing and maintaining facilities. Commissioner Kent explained this was a tax reduction for homeowners who have lived in their homes. He noted he regretted deleting the \$300,000 for beachfront property from the budget because he considered the County proposal an exceptional deal.

Commissioner Partington stated he was ready to vote and pointed out Ormond Beach did better than 15 other cities in Volusia County. He stated the Consumer Price Index (CPI) was not reflective of what was truly occurring in the economy. Commissioner Partington reported he considered bringing the rate down was the responsible way to govern; however, there was a point that when more cuts are made, it would harm more than help.

Mayor Costello thanked Commissioner Kent for his statement that the employees were not the problem to which he heartedly concurred. He stated employees deserve to make a living and he was not indicating they were overpaid. He noted, however, that staff and the Budget Advisory Board had recommended a 3.25% raise, which he supported; but the previous Commission approved a 6% to 6.5% increase. Mayor Costello noted that was not a judgment of whether employees deserved the increase, but that decision was driving the budget, and the salaries and pensions must be paid.

Mr. Turner urged groups to designate a member to attend the budget meetings or talk to staff about concerns. He explained the City was using smaller police vehicles; however, the front seats of the smaller cars were filled with equipment.

Mayor Costello urged people to look at the City's website to determine when the budget meetings would be held. He explained he received a scathing letter from Mr. Marvin Miller a number of years ago subsequent to a tax increase, so he appointed Mr. Miller to the Budget Advisory Board to find some cuts. He noted that after six months, Mr. Miller informed him the City was run well.

Commissioner Kelley noted his first budget meeting was in 1992, and other than City employees, only two citizens attended. He noted a different climate was developed in the past 14 years.

Mayor Costello stated the operating millage rate was 11.85% over the rolled back millage rate. He noted the resolution also included the adoption of the debt service millage rates of 0.4062 for the 2002 General Obligation Bond (GOB) Sinking Fund and 0.036 for the 2003 GOB Sinking Fund.

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

Mayor Costello reported the operating millage rate was set at 3.44004 mills which was 11.85% over the rolled back millage rate.

Item #4(B) - Adopting the Annual Budget

Mayor Costello stated Ordinance No. 2006-12 would adopt the budget of \$111,583,073.

ORDINANCE NO. 2006-12
AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE
2006-2007 FISCAL YEAR BEGINNING OCTOBER 1, 2006, AND
ENDING SEPTEMBER 30, 2007; REPEALING ALL
INCONSISTENT ORDINANCES OR PARTS THEREOF; AND
SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Partington, to approve Ordinance No. 2006-12, on second reading, as read by title only.

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

Mayor Costello closed the Public Hearing on the millage rate and budget.

Item #5 – Audience Remarks

Code Enforcement Complaint

Mr. Lawrence Cook, 1529 North Beach Street, expressed disappointment that Mayor Costello did not make a serious effort to resolve his complaint. He noted he would talk to Mr. Turner regarding this complaint. Mr. Cook stated although he was accused, he did not make false statements, and was he was not heard. He reported he was disappointed Mayor Costello did not try to find the documentation to prove his claim.

Mayor Costello noted he believed Mr. Cook was to have provided the above-noted information.

Building Height Issue

Mr. Jeff Boyle, 614 North Halifax Drive, responded to Mayor Costello's position paper on the building height issue, specifically the request on the City's website to consider printed documents from Florida Hospital's CEO, Mr. Mike Gentry. He stated Mr. Gentry's quote was that there were several factors on which the Commissioners would not sway, and one issue related to height restrictions. Mr. Boyle noted that statement was disproven by two documents. He noted in the City Manager's Friday letter from last year Mr. Gentry asserted the main factors were the \$40 million less cost and the four year quicker construction for the hospital. Mr. Boyle stated the minutes of the December 17, 2002 workshop indicated it was the position of all five Commissioners that the waiver to allow 12 stories for a hospital would not be a problem for the Commission or for the community. He provided copies of these documents and highlighted the pertinent sections to display that evidence. Mr. Boyle expressed concern the public would be misled by the information on the website and asked that those comments be removed. He reported the issues were the vacation of Old Kings Road, the money, and the lack of willing sellers to accommodate the hospital's needs. Mr. Boyle advised he had asked if the City met all of the hospital's conditions, if the hospital would commit to stay in Ormond Beach at the first meeting, and the hospital would not make that commitment. He requested permission to speak at the end of the meeting.

Ms. Margaret Sharifi, 210 Valencia Drive, stated the people have been told there would be no increase in density for the Bray and Gillespie project, but the current total of seven-story buildings would be 424 units while the proposed taller buildings would be 1,048 or an increase of 624 units. She stated the people are being inundated by advertisements by Bray and Gillespie in the newspaper, radio, and a brochure, and Bray and Gillespie hired a company who was paying solicitors to obtain signatures on a new petition. Ms. Sharifi stated any free space offered by Bray and Gillespie was not truly free since Ormond Beach would have to maintain the land and be taxed by Volusia County. She disputed the need for a new community center, overpasses on A1A, or parking garages in neighborhoods and near schools; however, she stated the City did need a beachside park. Ms. Sharifi stated the City needed to pursue a partnership for a park with Volusia County, not a developer, and urged keeping the height limit.

Mayor Costello stated he would check the website, and if it indicated he stated the issue with the hospital was height alone, it would be corrected. He noted height was one on the issues, and the hospital indicated multiple times they wanted to invest the extra money to stay in Ormond Beach. Mayor Costello explained that the density related to the entire density on A1A. He stated he never indicated the preliminary proposal showed no increase in density, but he had repeatedly stated, and would reiterate, that he would not vote for an increase in density. The Mayor advised he considered this to be an exciting opportunity for those interested, and the Commission would have the opportunity to examine specifics later if the CAN DO amendment was defeated. Mayor Costello clarified that this land would not be taxed by the County.

Item #6 – Approval of Minutes

Mayor Costello advised the minutes of the September 6, 2006, meeting had been sent to the Commissioners for review and asked if there were any corrections, additions, or omissions.

Hearing none, the minutes were approved as submitted.

Honoring City Employees for Efforts on Behalf of the American Heart Association

Mayor Costello read a proclamation honoring City employees for their efforts on behalf of the American Heart Association. He commended Ms. Shannon Longfellow for spearheading a garage sale, with the help of many other employees, to raise funds for the Heart Walk. Mayor Costello proclaimed Friday, September 22, as a day to thank everyone involved in the

garage sale, and he encouraged all residents to join in a community effort to recognize the valuable contributions made by City employees and volunteers.

Item #7(A) - Metropolitan Planning Organization and Item #6(B) Volusia Council of Governments

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

Item #7(C) - Water Authority of Volusia

Commissioner Kelley stated the Water Authority of Volusia (WAV) would meet next Wednesday.

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.

Mayor Costello reported he was asked to remove Item No. 8(E) for discussion.

Commissioner Gillooly requested Item Nos. 8(C), 8(I) and 8(J) be discussed.

Commissioner Kelley requested Item No. 8(M) be discussed.

Commissioner Partington moved, seconded by Commissioner Kelley, for approval of the Consent Agenda, minus Item Nos. 8(C), 8(E), 8(I), 8(J), and 8(M).

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

Item #8(C) - Service Agreement with Ormond Main Street, Inc.

RESOLUTION NO. 2006-191
A RESOLUTION AUTHORIZING THE EXECUTION OF A SERVICE AGREEMENT BETWEEN THE CITY AND ORMOND MAIN STREET, INC.; SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Partington, to approve Resolution No. 2006-191, as read by title only.

Commissioner Gillooly asked if the funding would be transferred from the Tax Increment Financing (TIF) funds; whereby, she was informed that they would.

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

Item #8(E) - Cooperative Business Development Agreement with Daytona Beach/Halifax Area Chamber of Commerce, Inc.

RESOLUTION NO. 2006-193
A RESOLUTION AUTHORIZING THE EXECUTION OF A COOPERATIVE BUSINESS DEVELOPMENT AGREEMENT BETWEEN THE CITY AND DAYTONA BEACH/HALIFAX AREA CHAMBER OF COMMERCE, INC.; SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Kent, to approve Resolution No. 2006-193, as read by title only.

Mr. Jeff Boyle, 614 North Halifax Drive, stated the City had five other dynamics already working on this goal: the Ormond Beach Chamber of Commerce, the City's Economic Development

manager, the Volusia County Office of Economic Development, the excellence of the existing business park, and the City’s good name. He noted there was no proof either way that this expenditure had ever brought a business to relocate in Ormond Beach. Mr. Boyle noted citizens have asked for cuts in expenditures, and this expenditure could easily be cut.

Commissioner Gillooly stated this was an example of Commissioner Partington’s comment where some cuts could end up harming rather than helping. She noted this was an excellent program that would allow the City to examine economic development because businesses may not come directly to Ormond Beach but to the area at large. Commissioner Gillooly reported this organization brought specific jobs into the community. She noted this was a small amount of money for the services Ormond Beach would be receiving in conjunction with the other important aspects of economic development. Commissioner Gillooly expressed her support for this item.

Commissioner Kelley started one new company that is locating to Ormond Beach would create 60 new jobs and the company would probably not have come about had Ormond Beach not participated in this organization. He reported this was an excellent program and an excellent way to network.

Mayor Costello noted the City would want a great deal of help promoting Ormond Crossings.

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

Item #8(I) - Breakaway Trails Alternate Irrigation Water Supply Project

RESOLUTION NO. 2006-199
 A RESOLUTION AUTHORIZING THE EXECUTION OF CHANGE ORDER NO. 1 TO THAT CONTRACT AWARDED TO WIRING TECHNOLOGIES, INC., REGARDING THE BREAKAWAY TRAILS ALTERNATE IRRIGATION WATER SUPPLY PROJECT; BY DECREASING THE CONTRACT PRICE BY \$71,915.75 AND INCREASING THE CONTRACT TIME BY 71 DAYS; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Partington, to approve Resolution No. 2006-199, as read by title only.

Commissioner Gillooly explained there were some issues with a company the City did business with, and staff made numerous attempts to try to understand the nature of the delays in the work. She stated the City was legitimately entitled to receive liquidated damages from this contract of \$113,000. Commissioner Gillooly noted the unpaid balance owed the vendor was \$89,868 leaving a \$23,131.41 difference. She stated the staff recommendation was to leave the liquidated damages to be the total of the contract amount remaining. She questioned why the Commission should approve this, and what other options the Commission would have in this instance.

Ms. Judy Sloane, Public Works Director, stated there were many problems associated with this contract, and the company had been very non-responsive. She stated the Legal staff recommended capping it at the balance of the contract.

Commissioner Gillooly stated Ormond Beach owed the same company money on another contract in Item #8(J). She asked if the City could legally take the \$23,000 off the other contract.

Ms. Sloane stated each contract was typically handled separately.

Mr. Randal Hayes, City Attorney, stated two contracts with two different funding sources could not be commingled, but the City could sue for any money owed on the contract. He noted this afternoon the City received a call from the contractor’s attorney to work the issue out. Mr. Hayes stated if the contractor believed he was entitled to the money, they could sue the City, and the City could file a counterclaim. He advised the problem with these types of contracts was that during the course of a major contract there were typically unforeseen issues that arise, and there was a body of law covering this issue. Mr. Hayes noted it was a cumbersome process to produce evidence to support either side, and to litigate these types of

issues tend to be messy, time consuming, and expensive, which was why staff decided to wash out this contract.

Mr. Turner noted the Engineering staff holds contractors to their contracts. He noted even today this company wanted to be paid more from the City. Mr. Turner reported he would discuss leveraging to a greater degree with staff.

Commissioner Gillooly asked if this could be mediated rather than litigated.

Mr. Hayes stated there was not much for the City to mitigate, but to try to get money from this company would not be effective.

Mr. Turner noted litigation or mitigation would not be cost effective.

Commissioner Gillooly stated the City must have more layers of protection for the City. She suggested staff file a collection claim for the City.

Mr. Hayes stated staff would explore some options.

Commissioner Kent stated this was a very confusing issue. He noted he could not support this because the City should go after the funds.

Mayor Costello questioned the City Attorney that if this passed, if the City could inform the company that should they try to sue the City, the City's response would be to seek the full amount due.

Mr. Hayes noted the City could reserve that right in a motion.

Mr. John Noble, City Engineer, stated the City could have conceivably awarded an additional 40 days or \$20,000 due to delays throughout the project; however, the company never requested the delays.

Mayor Costello noted he was comfortable with approving this because of Mr. Noble's explanation. He reported if opened up to litigation, the City could possible lose more than this amount.

Commissioner Gillooly stated the staff report indicated the contractor never responded to any staff overtures, but the City went ahead and acknowledged the hurricanes and gave credit for 60 days for the hurricanes; therefore, the City already offered a level of fairness without the company having that right, which would provide a strong legal point.

Mr. Noble stated a weather delay was something staff could assess; however, if there were an equipment issue between a vendor and the engineer delaying the project that caused the additional time delay and if they had requested 40 additional days, the City would probably have granted those days.

Commissioner Gillooly pointed out it was incumbent upon the contractor to request the additional time.

Mr. Hayes stated in these contracts it was difficult to produce the quality and quantity of evidence.

Commissioner Partington stated because of the evidentiary issues and because there was a time value from a business perspective, he would approve this, but he noted he was not pleased about the vote.

Mayor Costello stated he lived in Breakaway Trails but received no benefit from this action. He asked if he could vote on this issue; whereby, Mr. Hayes advised Mayor Costello could cast a vote.

Call Vote:	Commissioner Kent	No
	Commissioner Kelley	Yes
	Commissioner Partington	Yes
	Commissioner Gillooly	No
Carried.	Mayor Costello	Yes

Item #8(J) - US1 Water Main Crossings Project

RESOLUTION NO. 2006-200

A RESOLUTION AUTHORIZING THE EXECUTION OF CHANGE ORDER NO. 1 TO THAT CONTRACT AWARDED TO WIRING TECHNOLOGIES, INC., REGARDING THE US1 WATER MAIN CROSSINGS PROJECT; BY DECREASING THE CONTRACT PRICE BY \$62,389 AND INCREASING THE CONTRACT TIME BY 60 DAYS; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Partington, to approve Resolution No. 2006-200, as read by title only.

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

Item #8(M) - Appointing a Member to Serve on the Budget Advisory Board

RESOLUTION NO. 2006-208

A RESOLUTION APPOINTING JERRY KANE AS A MEMBER TO SERVE ON THE BUDGET ADVISORY BOARD; SETTING FORTH TERM AND CONDITIONS OF SERVICE; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kent moved, seconded by Commissioner Gillooly, to approve Resolution No. 2006-208, as read by title only.

Commissioner Kelley requested a short bio or information on this appointment for Mr. Jerry Kane.

Commissioner Kent questioned why Commissioner Kelley requested a bio for Mr. Kane when he never provided bios for any of his appointments. He stated Mr. Jerry Kane had been involved with market operations for the NASDAQ stock market for 12 years and was on the Y2K team on the stock market for two years.

Commissioner Kelley stated when all the appointments were made the Commission discussed the appointments in a workshop. He noted he provided a background of his nominees such as Mr. Doug Wigley and Mr. Joe Lipscomb. Commissioner Kelley explained that board member provide bios with their applications. He reported he did not know Mr. Kane and was seeking information on his background, but he was not trying to be confrontational.

Commissioner Kent stated he appreciated Commissioner Kelley’s explanation, but he did not remember receiving information or bio sheets, and he did not understand why this was being pulled. He reported he appreciated all board appointments.

Commissioner Kelley stated it was important to know something about the people on boards. He concurred he also appreciated board appointee’s who were willing to serve the City.

Mayor Costello recommended providing a brief synopsis on any board appointment in the future. He noted he did not consider that to be a negative.

Commissioner Kent stated while he did not consider a synopsis a bad idea, he respected the Commission enough to know that where any Commission member would nominate an individual for a position, they would be doing so in the best interest of the City; therefore, he would not require an information sheet to be provided.

Mayor Costello explained the nominee would have his vote before receiving the information, but he would like the information to learn more about the person to share with constituents when asked.

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

Item #9 - Development Order for “East Coast Community Bank” Special Exception

RESOLUTION NO. 2006-203

A RESOLUTION AUTHORIZING THE EXECUTION AND ISSUANCE OF A DEVELOPMENT ORDER FOR “EAST COAST COMMUNITY BANK” SPECIAL EXCEPTION ON A SITE LOCATED AT 1240 WEST GRANADA BOULEVARD, WITHIN THE B-10 (SUBURBAN BOULEVARD) ZONING DISTRICT; APPROVING A TRAFFIC MITIGATION PLAN TO ALLOW THE DEVELOPMENT OF AN OFFICE/BANK FACILITY; ESTABLISHING CONDITIONS AND EXPIRATION DATE OF APPROVAL; AND SETTING FORTH AN EFFECTIVE DATE.

Mr. Clay Ervin, Planning Director, stated the \$42,000 to be donated toward traffic improvement projects would be a maximum. He clarified that a letter from the nearby residents had been included as a part of this public hearing; however, their concerns were not related to this development order. Mr. Ervin explained this development order was about traffic mitigation and movement on SR40, not the site plan. He stated staff contacted and met with two of the people who signed the letter, and staff would direct them to DOT when it reviews the driveway permit regarding a need for a deceleration lane or other changes in the configuration of the bank or merging traffic. Mr. Ervin stated the next issue was related to impact fee credits for this proportionate fair share agreement where the City was asking the applicant to pay into a specific fund. He advised staff supported the County granting an impact fee credit for this, but the City would not know the certainty of this until the County entered into the formal agreement with the City. Mr. Ervin explained the City was not requesting the developer pay the proportional fair share into the entity that would be collecting it until the Certificate of Occupancy was required or the agreement was finalized. He noted they also would encourage Volusia County to utilize its rights under Senate Bill 360 to allow for impact fee credits for these numbers, meaning the City would encourage the County to work with the applicant to make sure the money they pay for these improvements are credited against their impact fees.

Mr. Rob Merrell, Cobb Cole, 150 Magnolia Road, Daytona Beach, urged the \$42,000 be considered a maximum. He stated there was a good chance there would not be an agreement with the County and Daytona Beach regarding improvements to Hand Avenue. Mr. Merrell noted it was possible they would have to pay the impact fees in advance of that agreement, and he was requesting a credit so they would not be paying impact fees to two entities. He stated the money should go to improve Hand Avenue. Mr. Merrell advised he believed the City had a conceptual agreement on this with staff, but he urged that whatever was approved would clearly identify that agreement. He requested the reference to improvements to Clyde Morris Boulevard be removed since this related only to Hand Avenue.

Mr. Ervin stated the concern was that Ormond Beach could not commit Volusia County to the impact fee credit; therefore, he would hesitate to include a stipulation in a development order that stated Volusia County shall credit the impact fee because Ormond Beach does not have the jurisdiction to certify that. He stated if no agreement was formalized by the time a Certificate of Occupancy was needed, the applicant would pay the impact fees, and the difference between those impact fees and the proportionate fair share would be paid to the City so when the agreement was finalized, the City could use those funds toward the Hand Avenue improvements.

Commissioner Gillooly moved, seconded by Commissioner Kelley, to approve Resolution No. 2006-203, as read by title only.

Commissioner Kelley moved, seconded by Commissioner Gillooly, that if the applicant is requesting a Certificate of Occupancy for the bank prior to the execution of the agreement for the proportionate fair share and the applicant shall pay to Volusia County its appropriate impact fees, any differences between the impact fees and the upward limit established for the proportionate fair share shall be paid to the City where the City shall place it into a special account to be utilized for the proportionate fair share agreement when it becomes finalized. If the City and County were not able to come to a final agreement, those funds would be refunded back to the applicant. The difference in the proportionate fair share would be earmarked specifically for the Hand Avenue improvements in Ormond Beach.

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

Commissioner Gillooly stated this was the first development to be affected by this fair share requirement. She noted this was an already established business in the community looking to expand, increasing the number of jobs and their impact in the community. Commissioner Gillooly thanked staff for their willingness to work with the applicant to benefit the City and the business.

Mayor Costello reported he spoke to the bank representatives. He expressed disappointment regarding the proportionate fair share issue, but noted this was the first project to go through the process. Mayor Costello asked staff to advise people in writing as early as possible to avoid confusion in the future.

Commissioner Kelley stated he hoped the legislature reexamined and clarified this issue better because the bill had good intentions without clear direction.

Commissioner Gillooly noted the applicant went through all of process, but this became a sort of afterthought. She expressed her appreciation for the cooperation between the applicant and City staff to come up with a good resolution.

Call Vote on the Motion as Amended:	Commissioner Kent	yes
	Commissioner Kelley	yes
	Commissioner Partington	yes
	Commissioner Gillooly	yes
Carried.	Mayor Costello	yes

Hearing no objection, Mayor Costello closed the public hearing on Item #9.

Mayor Costello called for a short break at 9:10 p.m. and he reconvened the meeting at 9:18 p.m.

Item #10(A) - Amending Police Officers' Pension Trust Fund - Contributions

ORDINANCE NO. 2006-13
 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 16-75, CONTRIBUTIONS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Partington, to approve Ordinance No. 2006-13, on second reading, as read by title only.

Mayor Costello stated the first year this was funded with the delay in the step increase. He noted he would have approved this had it come through contract negotiations in the next contract.

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

Item #10(B) - Increasing the Minimum Water and Sewer Rates

ORDINANCE NO. 2006-14
 AN ORDINANCE AMENDING SECTIONS 22-23, 22-24 AND 22-71 OF CHAPTER 22, WATER AND SEWERS, OF THE CODE OF ORDINANCES, BY INCREASING THE MINIMUM WATER AND SEWER RATES; REPEALING ALL INCONSISTENT ORDINANCES AND PARTS THEREOF; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Partington moved, seconded by Commissioner Kelley, to approve Ordinance No. 2006-14, on second reading, as read by title only.

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

Item #11(A) - "Airport Business Park, Tower Circle Extension" Preliminary/Final Plat

ORDINANCE NO. 2006-15
AN ORDINANCE APPROVING THE PRELIMINARY/FINAL PLAT FOR THE "AIRPORT BUSINESS PARK, TOWER CIRCLE EXTENSION," A REPLAT OF "AIRPORT BUSINESS PARK," PHASE II; ESTABLISHING CONDITIONS AND EXPIRATION DATE OF APPROVAL; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Gillooly, to approve Ordinance No. 2006-15, on first reading, as read by title only.

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

Item #11(B) - Sexual Offender and Sexual Predator Residence Prohibition, Penalties, and Exceptions

ORDINANCE NO. 2006-16
AN ORDINANCE AMENDING CHAPTER 23, SEXUAL OFFENDERS AND SEXUAL PREDATORS, OF THE CODE OF ORDINANCES OF THE CITY OF ORMOND BEACH, FLORIDA, BY AMENDING SECTION 23-3, SEXUAL OFFENDER AND SEXUAL PREDATOR RESIDENCE PROHIBITION; PENALTIES; EXCEPTIONS, TO INCLUDE OUT OF STATE OFFENSES; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Commissioner Partington moved, seconded by Commissioner Kelley, to approve Option No. 1 of Ordinance No. 2006-16, on first reading, as read by title only.

Commissioner Gillooly stated this ordinance had created some controversy in that it may not address the issue and it may become a constitutional question; however, the safety issue would preclude all of those arguments. She stated this ordinance would create some protection, but it was important to work with the justice system to insure stiffer penalties and more permanent solutions.

Mayor Costello noted he equated this situation to the recent issue of dogs allowed in the household where if no entities created limits that would create one scenario; however, if other entities have a limit and Ormond Beach did not have a limit, it would attract the dog owners to Ormond Beach.

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

Item #12(A) - "Enclave at North Pointe"

RESOLUTION NO. 2006-204
A RESOLUTION APPROVING THE PRELIMINARY PLAT FOR THE "ENCLAVE AT NORTH POINTE" SUBDIVISION LOCATED ON THE EAST SIDE OF TYMBER CREEK ROAD, JUST NORTH OF THE SOUTHERN PINES SUBDIVISION; ESTABLISHING CONDITIONS AND EXPIRATION DATE OF APPROVAL; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kent moved, seconded by Commissioner Partington, to approve Resolution No. 2006-204, as read by title only.

Mayor Costello thanked Deputy Mayor Kelley, Mr. Ed Speno, the developer, and staff for working on the park at this location. He noted this would be a tremendous addition to this portion of the City.

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

Item #12(B) - Settlement with Daytona Beach Regarding Water and Wastewater Service Issues

RESOLUTION NO. 2006-205

A RESOLUTION A AUTHORIZING A COMPREHENSIVE SETTLEMENT BETWEEN THE CITY OF ORMOND BEACH AND THE CITY OF DAYTONA BEACH REGARDING WATER AND WASTEWATER SERVICE ISSUES AND RELATED ISSUES; AUTHORIZING THE EXECUTION OF A SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF CLAIMS, A SECOND AMENDED WATER AND SEWER SERVICE AREA AGREEMENT, AN INTERLOCAL WHOLESAL WATER AND WASTEWATER SERVICE AGREEMENT, AND AN INTERLOCAL AGREEMENT FOR THE OPERATION, ADMINISTRATION AND MAINTENANCE OF FINISHED WATER INTERCONNECTS EAST OF I-95; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Partington, to approve Resolution No. 2006-205, as read by title only.

Commissioner Kelley stated he was pleased to resolve a Commission goal-setting objective, which had been an objective for the past four to five years. He expressed appreciation to the City’s friends and neighbors in Daytona Beach.

Mr. Turner thanked Ms. Sloane, Mr. Tim Sheahan, planning and engineering personnel, and Daytona Beach Utilities Director Mr. Mitt Tidwell. He noted he hoped for a positive reaction from the Daytona Beach City Commission.

Commissioner Kent stated staff did a great job, but he did not want to lessen the relationship the Ormond Beach City Commission forged with the Daytona Beach City Commission, which had improved with time. He pointed out that Mayor Costello was very well respected in Daytona Beach, and Mayor Scarlett-Golden was very well respected in Ormond Beach. Commissioner Kent noted both Commissions did a great job of “mending fences.”

Mayor Costello stated the City Manager also stuck to this task. He noted it was a shame the 3,000 acres in question was in Daytona Beach because it would cost Ormond Beach tens of millions of dollars. Mayor Costello stated Daytona Beach did a great job of working with Ormond Beach to resolve this issue.

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

Mayor Costello stated this resolved many issues and Ormond Beach no longer had any outstanding issues with its sister city. He noted he appreciated this accomplishment also because now the City would not need to spend the extra million dollars for the temporary water expansion plan and could proceed with the interconnect. Mayor Costello noted there were many benefits to both communities in this agreement.

Item #12(C) - Water Treatment Plant Expansion Project

RESOLUTION NO. 2006-206

A RESOLUTION AUTHORIZING THE EXECUTION OF CHANGE ORDER NO. 1 TO THAT CONTRACT AWARDED TO MEADORS

CONSTRUCTION COMPANY, INC., REGARDING THE WATER TREATMENT PLANT EXPANSION PROJECT; BY INCREASING THE CONTRACT PRICE BY \$3,718,000; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Partington, to approve Resolution No. 2006-161, to include Option No. 1 to extend the time by 112 days and the price by \$3,529,000.

Commissioner Kelley stated Option No. 2 would cost \$70,000 to have 14 days less for completion and should not be considered. He reported Option No. 3 would cost \$5,600 more per day over the 112 days time. Commissioner Kelley stated it made no sense to spend the additional money for a quicker completion date when the City had the ability to obtain any water needed on an emergency basis and the current plant would produce and serve the City well. He noted the total water usage comparing this year to last year and stated that with the new connections there was less water usage than the new connections would generate per connection. Commissioner Kelley advised he did not see a great increase in the need for the water over what was provided last year until the project was completed, and he did not see the wisdom in spending the \$189,000.

Ms. Sloane stated there was a concern regarding the time period in that Option No. 1 would be extending the original two mgd as well. She explained none of the additional capacity would be on line by the 2008 drought period. Ms. Sloane noted staff was looking at obtaining the additional two mgd so this would provide some "breathing room"; and while the Daytona interconnect would be helpful, during that time Daytona Beach would also use additional water. She stated her main concern was to make certain Ormond Beach had its own adequate supply of water in a timely manner for that April drought period.

Commissioner Kelley stated the figures indicated the City used less water this year than last year with the new interconnects.

Ms. Sloane stated her concern was not to delay the original two mgd.

Mr. Turner stated he had been pressing the Engineering Department and the engineering firms to provide viable options to make certain the City could get this plant expansion on board as soon as possible. He urged the Commission to approve Option No. 3.

Commissioner Partington questioned the difference in cost for the 112 day option.

Ms. Sloane explained the original contract was scheduled for completion in March 2008; and if the City were to delay it, the City would have to go through the high demand period. She noted the contractor would have to build additional facilities as well as order all of the new equipment. Ms. Sloane noted the contractor could not start to build the additional two mgd until the design or permitting was completed. She reported the City would be asking the contractor to compress his entire ability to do the skids, clear well, and other facilities associated with getting the additional two mgd into a much shorter timeframe.

Mr. Turner reported more people would have to be placed on the job, keeping them on the job for an extensive period of time.

Ms. Sloane reiterated it would cost additional resources to accomplish this job.

Commissioner Partington stated that would be an additional \$180,000 to \$190,000 for three months.

Ms. Sloane explained the original contract was for a completion date of March, and to add the two mgd, they must be done together. She stated the four mgd with the 112 day extension could be done for \$3.5 million.

Mayor Costello stated the contractor was buying extra time. He noted change orders and extra days become critical and are measured in dollars. Mayor Costello explained he would prefer the project be completed on time rather than saving the extra dollars. He stated Commissioner Kelley made a good point that the City may not need the time due to the interconnect; however, due to the recent water issues, he would support Option No. 3. Mayor Costello reported he was disappointed Ormond Beach was not using the ozone because he was told the ozone was part of the reason that the Daytona Beach water was so good it won awards.

Commissioner Gillooly questioned that there would be no portion that would be operational at that time.

Commissioner Kelley stated the percent of usage would be less than the 1.3% additional customers.

Mayor Costello clarified staff was concerned about the peak usages. He noted the motion on the floor was for Option No. 1 to extend the project 110 days and save \$190,000.

Commissioner Gillooly stated the City had just been through an incredible process; and while she did not want to spend the additional money, she had a concern regarding the timeframe. She questioned what would occur if the Commission would approve the shortest timeframe and the vendor would ask for a time delay due to unforeseen issues. Commissioner Gillooly noted this type of delay was likely. She asked for more assurances that the interconnects and existing water system would get the City through the drought situation.

Mr. Turner noted while the interconnect system would help, he expressed grave concern for the City to go through the peak season without the expansion on line. He pointed out the peak demands have been steeping.

Commissioner Partington stated he was hearing from staff that “the bell was being rung.” He noted he was open to being convinced, but no amount of money was worth the possibility of putting the water users at risk.

Commissioner Kelley stated the loss of pressure was not caused by the inability to deliver the water; the loss was caused by water main breaks. He noted the plant would not be completed until January 2008, and extending that date by 118 days would move the date to May 1.

Ms. Sloane stated the substantial completion date was January 2008, but the contract completion date was March 2008; therefore, the plant could not be used until March. She explained startups and testing would be done in January.

Commissioner Kent stated he did not want any water problems, but he agreed with Commissioner Kelley regarding why the pressure problem occurred. He noted Commissioner Kelley served on WAV, and he was very knowledgeable on this subject.

Commissioner Kelley reported the water dilemma was caused by the condition of the plant, operator error, and water main breaks. He noted many corrections have been made at the plant. Commissioner Kelley reported he had faith in the staff that they could keep the plant working, especially since they must keep it working until March of 2008. Commissioner Kelley stated delays could be caused by equipment or other causes. He reported he firmly believed that with the two mgd daily through a 16 inch water main from Daytona Beach, there would be adequate water in an emergency situation.

Ms. Sloane stated interconnects were for emergency and routine maintenance as opposed to for everyday use. She reiterated she was “ringing the bell” and noted it was long past overdue for this expansion. She expressed a dire concern relative to the drought season.

Commissioner Partington stated he valued Commissioner Kelley’s analysis but would vote for Option No. 3.

Mr. Turner stated staff’s recommendation was certainly not diminishing anyone’s opinion; however, the City pays staff for their best professional recommendations. He noted one reason for the previous problem was that staff was not doing what it should have done. Mr. Turner reported there were peak water usages which affected how much water was in the tanks. He expressed a great concern for those peak usages for the next two years. Mr. Turner advised he also wanted to save money, but this was critically needed as soon as possible, and he cautioned against any delays.

Mayor Costello asked what the typical peak months were.

Ms. Sloane replied the typical peak months were usually April or May, but this summer it lasted almost the entire summer.

Mayor Costello noted most contracts are extended for some reason, and this would be for a two year contract; therefore, he found it difficult to believe the contract would not be extended at least 60 days which would be over the drought period.

Ms. Sloane stated if this was a normal project she would concur with Mayor Costello; however, this was a necessity, and there was no intent to allow this contract to run over. She explained a certain amount of rain days are built into all contracts.

Mr. Turner stated that should an event cause a delay, that delay would probably need to be added to each of the options. He advised this was a top priority contract, and he made it clear that this would have to be done right and as soon as possible.

Commissioner Gillooly stated this was an extremely difficult vote. She noted all of the issues mentioned were well taken. She explained she wanted to save money, but the Commission specifically asked staff to inform the Commission when there were critical issues and “ring the bell,” which they were doing now, so she would favor Option No. 3.

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

Mayor Costello stated Commissioner Kelley convinced him to revise his opinion because of the interconnects and the fact that most contracts have extended time periods.

Item #12(D) - Additional Work Authorization Regarding the Water Treatment Plant Expansion

Ms. Sloane stated the decision the Commission made on the previous item would affect this item in that she would have to add 112 days to the contract which would add cost to the engineering.

Mayor Costello questioned why the project would require additional inspections.

Ms. Sloane stated there was an engineer under contract for the original contract period, but the prior decision would add 112 days to that contract. She noted there were full-time inspections on this contract. Ms. Sloane advised she did not have the hourly rate being charged for the inspector at hand. She explained an engineer was on site eight hours each day, and she believed the charge was either \$80 or \$90 per hour. Ms. Sloane noted construction administration charges were \$48,000 for the additional work for the two mgd. She explained the cost difference would not be a wash, but it would probably be close to another \$100,000.

Mayor Costello recommended making a motion to continue this item to the next meeting; and if that figure were close to the figure Ms. Sloane quoted, it may be appropriate for a Commission member on the prevailing side of Item #12(C) to make a motion to reconsider.

Mr. Hayes stated the Commission could make a motion to reconsider at a subsequent meeting as long as the contractor had not taken action in furtherance of this vote.

Ms. Sloane stated the contractor’s contract price was good through the end of this week. She reported the facilities need to be constructed for the first two mgd, and the contractor was already underway with this work. Ms. Sloane advised the contractor wanted an answer as soon as possible so he could keep to a schedule.

Mr. Turner asked Ms. Sloane to revisit this item to provide a more accurate figure and report back to the Commission at the end of the meeting.

Mayor Costello reported the Commission concurred to allow Ms. Sloane to examine the issue to present a more accurate estimate. He noted he would be willing to entertain a motion for reconsideration on Item #12(C) if the estimate were as high as Ms. Sloane indicated.

Item #13(A) - Strategic Economic Development Plan

Mr. Joe Mannarino, Economic Development Director, presented the first Strategic Economic Development Plan for the City of Ormond Beach. He reported staff utilized some of the best individuals in the City from board members, commissions, and other groups to focus on the future of Ormond Beach regarding economic development in order to create jobs and diversify the tax base in Ormond Beach. Mr. Mannarino stated the Strategic Planning Group was used to provide the demographic information needed and help shape the three major goals. He reported this was a working document for him to follow on a yearly basis and for the residents and the Commission to make certain he was following the strategies to implement the goals.

Mr. Tony Mondae, Strategic Planning Group, stated his firm was retained to assist in the preparation of this five-year development plan. He reported the mission was to shape the existing and future landscape of Ormond Beach by being proactive in business retention, expansion, and attraction. Mr. Mondae stated macro goals were to expand the non-residential tax base, provide employment opportunities, maintain and increase the financial wealth of the residents, and insure future quality commercial and industrial development. He noted the plan focused on three major goals which were business retention and expansion, business recruitment and future business centers, and downtown redevelopment and visitor attraction. Mr. Mondae advised there were 17 objectives and 51 strategies. He pointed out that 22% of the major manufacturing employers in Volusia County were already located in Ormond Beach. He stated the City had experienced a continued economic development and employment growth since 1993, but 64% of the workforce was employed outside of Ormond Beach. Mr. Mondae noted the hospitality industry was declining in Ormond Beach and Volusia County. He stated the major economic impacts related to industry loss, and if it was experienced would go beyond job loss and would impact the retail sales collections and the ability of home ownership. Mr. Mondae noted there were eight objectives for business recruitment and future business centers, and the rationale for the objectives were to make note of the fact that the City's existing tax base was heavily weighted toward residential development or 74% of the 2005 tax revenues; therefore, diversification was being sought. He stated Ormond Beach lacked commercial/industrial land inventory, but a good portion of that would be remedied by the Ormond Crossings project. Mr. Mondae advised he noted a lack of ready-to-build industrial buildings, lack of a major flagship hotel in Ormond Beach, lack of an independent identity, and the need for workforce housing. He noted the third goal was downtown redevelopment and visitor attraction, and the rationale for that goal was that the City lacked a true central business district, lacked a major anchor facility, must establish a sense of place for the central business district, and the central business district contained only 342 residents with 85 households. Mr. Mondae stated the strategic economic development plan benefits were to expand the non-residential tax base and other revenue sources, expand employment opportunities, bring in higher paying jobs and increased wages, expand the capital investments, and improve the overall quality of life.

Commissioner Partington moved, seconded by Commissioner Gillooly, to accept the report.

Commissioner Kent recommended allowing citizen participation in that this was a discussion item on which the Commission would be casting a vote.

Mayor Costello stated he had no cards requesting that anyone be allowed to speak.

Commissioner Kent noted the public was not aware there would be a vote.

Mayor Costello reported he understood that people would submit cards for any discussion item, and should a vote be taken, he would use the cards to call speakers to the podium. He stated that would be discussed under Item #13(H). He asked if anyone wished to speak on this item. Hearing no response, he called for the vote to be taken.

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

Item #13(B) - Public Information – Charter Referendum on Building Heights

Commissioner Kent requested the following amendment be made on the second paragraph after the heading: “This includes church steeples ~~and hospitals along West Granada Boulevard,~~ and the proposed Ormond Crossings Business Park near I-95.” He stated hospitals would not be on West Granada Boulevard. He recommended adding the following to the heading: “Lowers the actual height limits than currently allowed, but not according to the Comprehensive Plan.” Commissioner Kent pointed out the Comprehensive Plan specifies 75-feet. He requested a change under the heading “Places new height restrictions in the City Charter” for the last sentence as follows: “Those in favor say that amending the City Charter is the only way to ensure that citizens will be able to make the decision. ~~building heights won't be raised.”~~

Mayor Costello noted he reported he could accept Commissioner Kent's first request regarding deleting “and hospitals along West Granada Boulevard.”

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Commissioner Gillooly recommended removing only “along West Granada Boulevard” because the referendum would affect the entire City, and the City may have that opportunity.

Commissioner Kelley concurred with Commissioner Gillooly in that this would open up the ability to change the Land Development Code to alter the current building heights on the west side of A1A or anywhere else in the City. He stated it could actually increase the building heights where they are now limited.

Commissioner Partington concurred with Commissioner Gillooly.

Mayor Costello advised the consensus was to amend the sentence as follows: ““This includes church steeples and hospitals ~~along West Granada Boulevard~~, and the proposed Ormond Crossings Business Park near I-95.”

Mayor Costello stated regarding Commissioner Kent’s next recommendation to add the verbiage: “but not according to the Comprehensive Plan” should not be included because currently the City allowed Planned Business Developments (PBD) where the developer could be permitted over 100 feet when adding the pitch of the roof and arching underneath.

Commissioner Kent noted he understood the Comprehensive Plan trumped the Land Development Code.

Mayor Costello reported the heading was accurate. He noted everyone had agreed there were issues between the Comprehensive Plan and the Land Development Code that needed to be resolved.

Commissioner Kent reiterated his next suggestion to change the ending of the second sentence as follows: “Those in favor say that amending the City Charter is the only way to ensure that citizens will be able to make the decision ~~building heights won’t be raised.~~”

Commissioner Kelley noted if Commissioner Kent wished to redefine that statement, he may wish to indicate it would have to go to an election.

Commissioner Kent concurred to change the statement to: “Those in favor say that amending the City Charter is the only way to ensure that citizens will be able to make the decision at an election. ~~building heights won’t be raised.~~”

Commissioner Partington noted that issue was clarified at the bottom of page 3.

Mayor Costello disagreed that this was the only way to insure building heights would not be raised because people could do so by their vote of the City Commission members.

Commissioner Kent reported his next suggestion was on page two about half way down the page where he requested the sentence read: “At the same time, more than ~~3,000~~ 3,400 ~~registered voters~~ ~~residents~~ signed a validated petition ~~drive~~ to place the building heights referendum on the ballot.”

Commissioner Partington noted the petition was not validated when the residents signed the petition, but was validated after they had the signatures.

Mayor Costello suggested a compromise, and the Commission concurred, to change the sentence to read as follows: “At the same time, more than 3,400 registered voters signed a petition to place the building heights referendum on the ballot.”

Commissioner Kent recommended the following changes in the paragraph under the third bold print on page 2 regarding the legality of the referendum: “What are the issues the City has raised in questioning the legality of the referendum?” and “The City Commission then voted to place the referendum on the November 7 ballot, while at the same time Mayor Costello and Commissioners Gillooly, Kelley, and Partington ~~a majority~~ voted to appeal the ruling of the Fifth District Court of Appeal, as advised by the City Attorney.”

Mayor Costello reported the consensus was to accept Commissioner Kent’s recommendations for the legality paragraph as described above.

Commissioner Kent recommended adding the judge’s ruling on page three under the City Attorney’s section.

Mr. Hayes noted the judge’s ruling was under the bullet on page two.

Commissioner Kent stated the judge provided specific wording that he believed should be included.

Mayor Costello asked for the phrase Commissioner Kent was requesting be added.

Commissioner Kent responded he could not provide the exact wording at this time but could provide it to staff tomorrow.

Commissioner Kelley and Commissioner Gillooly noted they saw no reason to repeat that information.

Mayor Costello asked Commissioner Kent to continue while staff tried to find the ruling which would be addressed later in the meeting.

Commissioner Kent requested keeping the picture on page three of the Casa Del Mar, but also adding a picture of the Cove.

Mayor Costello stated he could approve substituting a photo of the Cove, but he did not know if both photos would fit.

Commissioner Kelley and Commissioner Partington advised they would need to see the picture before they could approve of the addition.

Commissioner Kent stated he did not take a photo of the building.

Commissioner Kelley stated the photo was an accurate example, and it did not indicate it was the only example.

Mayor Costello stated he could accept two smaller pictures, but he did not want to add another page.

Commissioner Kent stated page four indicated there would be no increase in population density; the number of units would be the same as the current codes allow. He stated staff had a concern with the intensity and density of the project.

Commissioner Kelley clarified that Commissioner Kent was referring to a concept, not necessarily what the Commission would agree on.

Commissioner Kent noted he wanted people to be made aware that there would be a transfer of development rights from the west side of A1A as well.

Mayor Costello stated his goal was that the west side would be lower than it could be under current codes.

Commissioner Kent recommended the language be as follows: "The number of units would be the same as the current codes allow on A1A including the west side."

Mayor Costello recommended ending the sentence with "on A1A."

Commissioner Gillooly expressed concern that this focuses on A1A while this would not only be about A1A, but the entire City.

Commissioner Kelley agreed the issue was City-wide. He noted the Commission already indicated they had no desire to increase density anywhere in the City should the question pass or fail.

Commissioner Kent requested clarifying the next statement: "More public beachfront access: More beachfront parks and off-beach parking areas are needed now that the city's beaches are usually too soft to drive on." He pointed out that none of the parking would be on the east side of A1A; it was all on the west side of A1A.

Mayor Costello noted that was not certain in that this was only a preliminary conceptual plan.

Commissioner Kent pointed out a grammatical error should be amended as follows: "No high-rise condo canyons: Any future projects that include taller buildings, if considered, would require much more open space than ~~that~~ required under the current 75-foot height limit."

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Commissioner Kelley stated he believed it would be a disservice trying to include two pictures due to the small space available.

Commissioner Kent recommended removing one of the top Bray and Gillespie pictures.

Commissioner Kelley reported the two pictures show different things.

Mayor Costello stated the consensus was to allow two and Commissioner Kent stated the two pictures he requested would also show two different things.

Commissioner Gillooly pointed out that people could see the sites that currently exist while they could not see what was proposed.

Mayor Costello stated it may not be possible to add a second picture and add the court verbiage that Commissioner Kent requested as well; therefore, he asked which Commissioner Kent found more important.

Commissioner Kent stated he understood the efforts Mayor Costello was making on his behalf and noted he would prefer the court wording be added.

Mr. Boyle provided a copy of the court ruling. He read the following into the record: "The petitioners have a clear legal right and the City has a clear legal duty to have the initiative placed on the ballot for vote."

Mayor Costello noted the consensus was to allow the above-noted verbiage.

Commissioner Partington recommended adding the following language on page two as follows: "...a circuit court judge ruled in their favor on August 22 stating, "The petitioners have a clear legal right and the City has a clear legal duty to have the initiative placed on the ballot for vote."

Mayor Costello noted the Commission did not vote, but accepted the document with modification; however, he would allow Mr. Boyle to speak in that he did provide a card and this was a very important issue.

Mr. Jeff Boyle, 614 North Halifax Drive, stated many people believe this amendment would give citizens greater flexibility in that they would have the right to vote on this decision every year if necessary. He reported he did not understand why the hospitals and steeples needed to be included because the Commission could always have a referendum in the future on hospitals and steeples.

Mayor Costello advised the City could not have a referendum without voting down the Charter amendment and then having the referendum.

Mr. Boyle stated the Ormond Crossings reference implied that the City had applications for buildings taller than 75 feet now, which could mislead the voters. He noted I-95 was a long road extending the entire eastern portion of the country and recommended adding "near I-95 and the airport" to be more descriptive.

Mayor Costello recommended "near I-95 and US1."

Mr. Turner stated there were commercial areas of Ormond Crossings that would extend toward Harmony Road; therefore, he was not certain "near I-95 and US1" would be descriptive enough.

Mayor Costello concurred and noted it would remain unchanged.

Mr. Boyle recommended the following change: "At the same time, more than 3,400 registered, validated voters signed a petition to place the building heights referendum on the ballot."

Commissioner Partington recommended the revision read as follows: "At the same time, more than 3,400 registered voters signed a petition that was validated to place the building heights referendum on the ballot."

Commissioner Gillooly stated this was already implied; whereby, Commissioner Partington and Mr. Hayes concurred.

Mr. Boyle noted he appreciated the concessions that were made. He stated the document indicated that there would be a lengthy process in order to accommodate the Bray and Gillespie

proposal that would involve changes to the City's Comprehensive Plan. Mr. Boyle noted it was important to specify the Comprehensive Plan changes that would be made.

Mayor Costello stated not everything could be added. He asked if there was something inaccurate or misleading. Mayor Costello pointed out the statement "with many public hearings, reviews by County and State agencies, and the City's Planning Board, before final consideration by the City Commission" would delineate the process clearly. Mayor Costello noted the specific changes could not be delineated in that the City did not yet know the changes necessary in that there was no proposal at this time—there was merely a concept.

Mr. Boyle stated the question was still listed: "Shall the City Charter be amended by creating Article VII?..." which was the language created by a new Article VII; however, two attorneys on August 24 pointed out the question did not need to be in the language, and they should be arranged differently on the ballot. He reported it was the City's legal responsibility to arrange the words on the ballot question. Mr. Boyle stated under the Common Community Goals section the population density issue was subjective. He noted the high rise condo canyons statement implied that taller buildings provide more open space; however, CAN DO believed there was a significant argument that the 75-foot buildings would require significant open space of coastal setbacks, Land Development Code setbacks, and parking on site. Mr. Boyle stated the reference to the CAN DO website should be corrected from .org to .com.

Mayor Costello stated he wanted to reverse the ballot language the first night it was presented, but Mr. Boyle did not want it changed.

Commissioner Partington stated a judge ruled the language was legal, and now people wanted it changed. He expressed concern in changing the language because it would play with the intent of 3,400 people. Commissioner Partington noted Commissioner Kent wanted the Commission to add their names on page two; however, he recalled Commissioner Kent voting against the appeal while the Commission voted unanimously to place the measure on the ballot and appeal.

Mayor Costello stated it would be accurate to state the Commission then voted to place the referendum on the November 7 ballot unanimously while at the same meeting Mayor Costello, Commissioners Gillooly, Kelley, and Partington voted to appeal the ruling.

Commissioner Kelley and Commissioner Kent indicated they recalled the vote was separated.

Mayor Costello noted that was irrelevant at this point if the requested verbiage was included.

Mr. Hayes advised the motion was offered as an amendment to the underlying motion. He stated the motion was initially combined, but it was procedurally proper to treat it as a motion to amend.

Commissioner Kelley stated relative to the language being placed in Charter that he noted the CAN DO attorney reminded the Commission that a question was in place, but he did not mention that fact when he pleaded his case before the judge.

Commissioner Gillooly stated she appreciated all of the work that went into the information piece, but suggested it was "busy" in the beginning.

Commissioner Kelley noted staff tried to differentiate the three portions by having the first two blue and the next black with the second italicized.

Mayor Costello recommended the Commission not try to change the style.

Item #13(C) - Off-Beach Parking Funding Options

Mayor Costello explained his recommendation and pointed out that staff was not receptive to the idea; however, he stated Ormond Beach had a one-time opportunity to gain \$8 to \$10 million worth of beachfront property. He noted the Commission decided not to include millage funding for the \$300,000 to be ongoing, and he could understand the County not being a willing partner with Ormond Beach not knowing if there was a long-term funding mechanism. Mayor Costello reported the Solid Waste Fund had a \$3.4 million asset, and of that amount, \$1.2 million was on hand. He advised Ormond Beach was owed \$2.2 from the Stormwater Fund to which the City advanced money for stormwater projects from the Solid Waste Fund. Mayor Costello noted the Stormwater Fund would repay the Solid Waste Fund over the next 15 to 20 years from existing and/or increased rates of the stormwater fee. He proposed pledging the \$3.4 million to beachfront land purchases. Mayor Costello reported \$300,000 was funded

for the first year's payment this year from fund balance; \$1.2 million would provide for the next four years payments; and the City may or may not need to fund from fund balance in years 2006, 2007, and 2008 before getting money back from the Stormwater Fund to replenish that \$2.2 million. He stated using this method Ormond Beach could have a willing partner with the County without using any millage revenue to fund the partnership with the County.

Commissioner Kent stated that plan would provide the City an option and an opportunity to secure the money the County had available to spend on off-beach parking.

Mr. Turner applauded Mayor Costello for his fiscal creativity. He noted Ormond Beach had a fund where two thirds was already loaned out, and the repayment schedule could be 10 to 20 years before the City could get the money back. Mr. Turner stated there was currently a balance of \$1.2 million. He explained this was the fund where the City spent nearly \$1 million for hurricane emergencies, and the City was unsure at what level FEMA would reimburse the City for clean-up after a hurricane. Mr. Turner reported this was the only fund, other than the General Fund, available to pay for clean-up after a storm, and the Commission would have to consider raising the stormwater fee next year because the City had depleted all of the money the Stormwater Fund could afford to repay in a reasonable amount of time. He advised financially and fiduciary he could not recommend approval of this proposal.

Mr. Paul Lane, Finance Director, stated the City had not closed out the fiscal year yet, and all of the liabilities were not yet recorded. He noted he was not projecting liabilities or cash flow through the end of the fiscal year. Mr. Lane stated the City was advancing not only to the Stormwater Fund, but the Transportation Fund as well. He expressed concern that this would be wiping all off the balance sheet. Mr. Lane stated the City needed working capital.

Mayor Costello stated that if the City had loaned money to the Transportation Fund and the Stormwater Fund, the City should borrow money for those funds to pay back the Solid Waste fund so it would have the \$3.4 million, and then that money could be allocated toward beachfront property and it could be paid back in a lump-sum fund without financing it over 20 years. He stated there would then be a loan for stormwater in an Enterprise Fund paying for itself, and paying the loan back, and the transportation should pay itself back. He was convinced the City would not go back into the Solid Waste business; and if it would, the money could be borrowed. Mayor Costello pointed out the City had a 16% fund balance which the City could use for any FEMA emergency. He noted the real question was if the Commission was interested in purchasing \$8 million to \$10 million worth of A1A property for \$3.5 million.

Mr. Lane explained the City could not issue debt and repay itself with tax exempt bond proceeds according to tax laws. He noted it could be done on a taxable basis, but not on a tax exempt basis.

Mayor Costello noted he was using this as a point, but he would not use this method and would allow staff to use their creativity. He stated he would prefer not to borrow any money and use the money as it comes back from the Stormwater Fund.

Mr. Turner stated the figure the County indicated was \$6 million with the City paying \$3 million to \$3.5 million. He noted staff certainly was recommending the Commission strongly consider putting up money for beachfront property. Mr. Turner stated if the fund balance money was in the fund, he would agree \$3.5 million was too large a sum; but he would like to keep \$1.2 million to \$1.5 million for these type of events. He noted he did not want to deplete or draw down on the General Fund fund balance and then need to replace it the next year. Mr. Turner agreed in the importance to send a strong message to the County that if a viable project were found the Commission would be willing to fund the project.

Commissioner Partington advised this was still a process issue. He noted the Commission did not have any details on a specific project. Commissioner Partington reported when a specific project was brought to the Commission, he would then recommend it be taken to the voters for approval.

Commissioner Gillooly stated she appreciated Mayor Costello's creativity, but she expressed concern that this was still tax dollars. She asked if the dollars the County would be using were in an existing fund or if they would be taken from a new tax.

Mr. Turner stated he understood the County Manager had access to the resources.

Commissioner Gillooly stated she wanted to cooperate and be a part of a process to move forward; however, Mayor Costello challenged the Commission to speak to 50 people about this issue, and she spoke to more than 50 people and could not find people who wanted to pay for

this at this point. She explained people would like the land, but wanted to see what would happen in the November election regarding the Charter amendment and if there were an opportunity to move forward with the concept. Commissioner Gillooly stated the County dollars could be used to maintain some of that property because it would be accessible to all beachgoers, not only Ormond Beach residents. She reported it may be worth the price of a special election not to encumber the residents with expending these funds. Commissioner Gillooly advised a special election could be scheduled within approximately five weeks. She noted if the Commission voted on this in November there could be an election in late January.

Ms. Veronica Patterson, City Clerk, stated an election could be held in late January or February.

Commissioner Gillooly asked if there was a project being negotiated at this time.

Mr. Turner stated five sites were investigated and three were unavailable, but there were other properties with “for sale” signs. He noted should the Commission proceed with this, he would ask the County to investigate additional sites. Mr. Turner reported he was not informed which of the two sites were still in question or what the appraisals were.

Commissioner Gillooly stated people were telling her they would like to purchase beachfront property, but it was not the same type of need as it was for a safe, clean, efficient water system. She advised the people were not ready yet and wanted to pursue other options. Commissioner Gillooly reported this was one reason she vigorously opposed the Charter amendment because it would affect every opportunity for every luxury, quality of life item to be compromised and negotiated, working out a plan to attain this type of item for the City. She noted taxes must be used for needs items, but there was a great opportunity to obtain the things the City wanted, having others paying for them.

Commissioner Kelley agreed with Commissioner Gillooly that the City could use someone else’s money to purchase beach property. He pointed out there were unwilling sellers. Commissioner Kelley noted he believed the public would prefer \$3.2 million be used to reduce ad valorem taxes for the next few years than for the purchase of beachfront property. Commissioner Kelley stated the City could go to the people in a referendum and ask if they wanted the City to utilize existing funds, a bond issue for \$300,000 per year, or a combination thereof. He reported it would violate sound accounting principals to use these funds for any single project. Commissioner Kelley stated he did not believe the County would renege on the City if they believed the City was not solid, since the City was able to make a commitment if they should come through. He noted the public was not asking for this so the City should wait for a specific project.

Mayor Costello noted the consensus was that three Commission members requested a referendum; therefore, he requested a discussion item at the first meeting after the election to discuss a referendum. He stated he did not believe the City should wait for a specific piece of land to be available because the seller would not wait for the City to have a vote before selling the property. Mayor Costello reported he would prefer a referendum to determine the public’s willingness and then have the Commission evaluate the projects.

Commissioner Kent expressed his appreciation for Mayor Costello’s leadership on this issue. He reported the people he spoke to wanted this and were willing to pay for it. He noted he heard residents request something similar to the Tom Renick Park numerous times, and the County heard the cries of the people for beachfront property.

Item #13(D) - Birthplace of Speed Parking

Commissioner Kent stated the Birthplace of Speed Park was underutilized. He reported he favored this proposal and noted it was eligible for TIF funding. Commissioner Kent noted the 30 parking spaces was a huge plus for Ormond Beach. He questioned where restrooms could be added. Commissioner Kent stated he favored the idea of the ingress and egress being on the Granada Approach, which would help as far as safety was concerned.

Ms. Sloane stated the County provided the restrooms, and she would need to approach them with Commissioner Kent’s question regarding the position of restrooms. She noted she brought this to the Commission before pursuing it to determine their interest in it considering the loss of the restroom and gazebo.

Commissioner Partington expressed concern that this would take most of the park and turn into a parking lot. He noted he preferred the 2001 plan because it preserved more green space.

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Commissioner Partington advised he had seen people using the park all times of the day as he passed it daily.

Commissioner Kent stated this plan would allow people to get to the real park—the beach. He stated he would be willing to reduce the parking to 25 spaces.

Ms. Sloane stated staff was continuing to pursue the County to consider last year's plan to place some parking on the Granada Approach. She noted the City was to obtain additional land from the Royal Floridian for more parking.

Commissioner Partington asked if this had been through the Quality of Life Advisory Board and the Ormond Beach Historical Trust; whereby, Ms. Sloane replied this had not been to any board yet.

Commissioner Gillooly reported it was vitally important to involve the Ormond Beach Historical Trust, the Quality of Life Advisory Board, and the people who maintain the Birthplace of Speed Park. She stated the Commission just had a presentation regarding economic development and the concept that Ormond Beach did not have a trademark or identity, but the Commission discussed the concept of the Birthplace of Speed, which was one area where the City had made a consistent effort to acknowledge this important piece of Ormond Beach history. Commissioner Gillooly agreed parking was needed, and limiting parking to too few spaces may not warrant the cost of engineering; but she expressed a grave concern in replacing a park and open green space with parking. She requested input from the groups who have done so much to support and maintain this park.

Mayor Costello requested delaying this issue to the second meeting on November 14. No objection was heard.

Item #13(E) - Affordable Housing

Mayor Costello stated there were people who had a desire to make a difference in affordable housing, and he wanted to find out what other cities were doing on this issue. He reiterated his concept of using TIF funds for the corner of Granada Boulevard and US1. Mayor Costello stated he did not wish to create a board or task force merely to meet if they would not be able to make a difference. He noted Mr. Ervin's concern was that the committee would make recommendations, and the Commission would not be willing to act on those recommendations.

Commissioner Kelley advised he was not in favor of taking the corner of Granada Boulevard and US1 to turn into affordable housing, and he noted the land was probably not for sale. Commissioner Kelley stated people are being forced out of the housing market and paying the taxes, insurance, and electricity was exacerbating the problem. He reported there would be a problem if Ormond Beach created jobs as noted in the economic development report, and the people would have no place to live in Ormond Beach that was affordable. Commissioner Kelley advised he could not indicate he could act on a board's recommendations until he could study the specific recommendation.

Commissioner Partington recommended waiting ten months until after the next legislative session to see what changes would be made. He questioned if the Volusia Home Builders or any developer informed Planning staff that they would need certain concessions to provide workforce housing. Commissioner Partington asked what the City would be willing to provide in order to obtain the workforce housing and if it would be worth the sacrifice to City standards.

Mr. Ervin stated the Home Builders Association compiled a paper that examined policy-based decisions which would increase density, reduce startup costs, etc., and he would provide it to the Commission. He noted two industrial managers in Ormond Beach have identified concerns of their employees, and the top item was to obtain the density to make the project profitable. Mr. Ervin explained the densities mentioned were 15 to 20 units per acre outside of the downtown area, and the downtown and beachside areas were primarily the areas that currently allow greater than 15 units per acre. He reported another problem was trying to locate the land because all of the easy land was already developed.

Commissioner Gillooly advised the scope of this problem was so enormous that it was affecting not only low but also moderate income people to the point that State Housing Initiative Plan (SHIP) provided down payment assistance to individuals earning upwards of 125% of the median income or approximately \$48,000. She concurred that the land was the most viable issue because land costs have accelerated and land was difficult to find. Commissioner Gillooly suggested someone from the non-profit affordable housing programs and a Planning Board member be added to the group. She stated it may be wise to not create a task force to create a list at this point, but have a roundtable discussion with those already identified to start a dialogue which could be built on later.

Mayor Costello stated if a task force were formed and they recommended 20 units per acre, would the Commission consider that option.

Commissioner Gillooly reported she could not give approval because it would have to be clearly defined, but the City must start considering viable options.

Mr. Turner stated there were many opportunities for dialogue and discussion on this issue before actually appointing a task force to hear some of the issues in the community.

Mayor Costello noted some on the Commission were interested in knowing what could be done to make a difference. He stated support workers are finding it difficult to afford housing, and this issue should be investigated.

Commissioner Kent concurred this should be investigated. He recommended affordable housing be placed near the downtown because some people may not have transportation readily available.

Mr. Ervin noted VCARD was sponsoring a discussion on this issue on September 26. He offered to set up a workshop after that meeting between the City Commission, Planning Board, Neighborhood Improvement Advisory Board, and possibly some of the VCARD meeting participants. He stated that could provide a better action plan for the City to follow.

Mayor Costello recommended providing Mr. Ervin with any names of interested people who could work with him on this issue without formalizing a board or task force.

Mr. Hayes stated when the Commission decided to formally appoint people that must be done at a Commission meeting.

Mr. Turner stated affordable housing was probably not an accurate term and should be changed to attainable or workforce housing. He noted this could assist those of moderate or lower income and would include a large number of people. Mr. Turner stated the meeting with the board members could be followed up by a more expanded public meeting. He reported the objective would be to get issues on the table and make the public more aware of those issues. Mr. Turner explained this would build the base as opposed to coming up with solutions or even fully identifying the scope of the problem at this point.

Commissioner Kelley stated US1 and Granada Boulevard was some of the most expensive property and other land may be more attainable.

Mayor Costello stated the land the mobile home park vacated could be offered certain considerations to incentives to develop smaller homes that could be just as beautiful and belong in Ormond Beach.

Item #13(F) - Police/Fire Pension Board Perspective

Mayor Costello stated the Commission encouraged the pension board members to be conservative and not approve open-ended enhancements.

Commissioner Kelley stated the pension board members should understand the dilemma the Commission was faced with relative to the cost of funding the pensions as they currently exist, and the City could not afford to continue enhancements as they had in the past.

Commissioner Gillooly asked whether the recommendation for a designated date to adopt a different type of plan came from the Commission or staff.

Mr. Lane advised that any change in the type of plan offered would have to go through the collective bargaining process.

Mayor Costello suggested a questionnaire be formulated that could be provided to prospective board members before they are appointed; whereby, Mr. Turner advised that the Commission may simply ask questions of prospective appointees at the Commission meeting.

Commissioner Gillooly asked if the Commission could change the pension plans for new employees that may be hired.

Mr. Turner reiterated any change in the plan must go through the negotiation process.

Mayor Costello requested questions the Commission would be legally permitted to ask; whereby, Mr. Turner advised a list could be provided.

Item #13(G) - Port Orange/Ormond Beach Development Processes

Mayor Costello recommended discussing this issue in January.

Commissioner Partington concurred with Mayor Costello. He stated anything that could be done to streamline a process and inform a developer up front if a project could be accepted or not would help protect the developers from spending a great deal of money only to be turned down at the end of the process.

Mayor Costello clarified this related to staff telling a developer transportation would be acceptable, and then the Commission proceed to change that decision such as in the Marshside project.

Mr. Ervin clarified that traffic counts come at different times. He noted the City did not know that Daytona Beach had approved a 771,000 square foot hospital. Mr. Ervin explained there would be projects that come in and on that day traffic conditions could be fine, but when the applications are to be approved, conditions could change a great deal. He pointed out that Ormond Beach had no control of what was occurring outside its jurisdictional boundaries, but it would impact the City on a daily basis.

Mayor Costello recommended working through the MPO or any other method because it was wrong to allow a developer to go through the process, and then because of an adjacent

jurisdiction, be forced to present something different. He stated if all of the communities would participate, this method could work.

Item #13(H) - Amendment to Resolution No. 2006-182, Rules of Parliamentary Procedure

Mayor Costello stated rather than delaying business to 7:30 p.m. the City should start the meeting upon completion of the audience remarks.

Commissioner Kelley agreed with Mayor Costello.

Commissioner Partington reported he preferred the 7:30 p.m. starting time because it would provide a hard start time for those not attending to listen to audience comments. He noted the break would occur only rarely, and in that time staff could talk to the people and follow up answering their questions. He stated it would allow the Commission a short break before the start of the meeting. Commissioner Partington stated either an earlier start time or additional meeting may be appropriate.

Commissioner Kelley stated presentations and reports could take that extra time; however, he agreed this would probably not occur often.

Commissioner Gillooly stated originally she believed the time certain was preferable, but the meeting actually starts with the invocation and pledge; therefore, she would agree to go into the meeting without recessing.

Commissioner Kent concurred with starting immediately. He noted it made good sense to start immediately and hopefully avoid the midnight and 1:00 a.m. meetings.

Mayor Costello asked the Commission's opinion on the policy for speakers asking to finish at the end of the meeting.

Commissioner Kent stated if more people want to speak than could speak in the first thirty minutes, they would be heard at the end of the meeting, so he would be willing to hear those seeking additional time at the end of the meeting.

Commissioner Kelley reported three minutes was adequate for any speaker and speaking at the end could cause problems. He noted he would be comfortable leaving the decision to the Mayor's discretion.

Commissioner Partington and Commissioner Gillooly agreed to allow three minutes only.

Mayor Costello noted the consensus was to allow only three minutes for each speaker.

Commissioner Kent stated the last bullet item indicated members of the general public who wished to speak on items that are on the printed agenda would be limited to three minutes for each speaker unless additional time would be allowed by the Commission. He recommended not limiting speech on items that are on the agenda.

Mr. Hayes noted Rule 4.5 indicated there was no limit on agenda items. He explained the Commission had the discretion to provide additional time on audience remarks should that decision be made collectively.

Mayor Costello stated he would announce and it would be placed on the comment cards that if anyone wished to speak on a discussion item they should turn in a comment card, and if the Commission decided to vote on the a discussion item, that individual would then be permitted to speak.

Commissioner Gillooly noted that was very fair.

Commissioner Kelley moved, seconded by Commissioner Kent, to eliminate the recess provision.

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

Item #12(D) - Additional Work Authorization regarding the Water Treatment Plant Expansion Project

Ms. Sloane advised she located the work authorization for the construction engineering services, and using the rates listed, the cost would be approximately an additional \$90,000.

Mayor Costello stated he would prefer Option No. 3 to get the job done sooner rather than paying \$90,000 for Option No. 1.

Commissioner Kelley requested a clarification of the need for the extra \$90,000.

Ms. Sloane stated the original contract was set up for 630 days. She noted there would be an inspector and construction administrator on site eight hours a day plus meetings on a routine basis would be required. Ms. Sloane stated there would also be additional support to review the shop drawings and any decision that would need to be made during construction to clarify the plans; therefore, if the contract time was increased another 112 days, the work would continue. She advised should the Commission wish to do so, a motion could be made to include the wording "not to exceed \$90,000."

Mayor Costello noted he would accept a motion to move forward with Item #12(D) or move for a reconsideration of Item #12(C).

Reconsideration of Item #12(C) Water Treatment Plant Expansion Project

Mayor Costello passed the gavel to Deputy Mayor Kelley to make a motion to reconsider Item #12(C). Commissioner Gillooly seconded the motion.

Mayor Costello noted he made this motion to reconsider based on the fact that half of the savings would be lost, and he would reconsider this issue due to the lack of complete information.

Commissioner Gillooly stated that since the City would be impacted by the additional inspection fees, there was now only a difference of less than \$100,000, which was still a great deal of money; but this would bring the City a greater ability to be assured that everything would be on line at a time that the Public Works Director strongly recommended was critical and to avoid incidents as the City had experienced in the past.

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

Mayor Costello moved, seconded by Commissioner Partington, to approve Option No. 3 in Resolution 2006-206.

Deputy Mayor Kelley clarified Option No. 3 would fully acceleration the project at the cost of \$3,718,000 and no time extension was included in the contract. He noted substantial completion of the contract would be in January 2008 with full completion in March 2008.

Commissioner Kent questioned if there would be a change order.

Ms. Sloane stated there were no other requests for change orders to request additional time; however, there was a request for a change order for rerouting some of the piping.

Mayor Costello noted he was confident there would be at least one change order.

Commissioner Partington reported he would support Option No. 3 because the City would be paying a premium of 3% to 4% of the contract price for full acceleration of the project, which seemed reasonable. He note for this reason and the fact that staff was, as Mayor Costello requested of them "ringing the bell," he would approve this item.

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

Deputy Mayor Kelley returned the gavel to Mayor Costello.

Item #12(D) - Additional Work Authorization - Water Treatment Plant Expansion Project

RESOLUTION NO. 2006-207

A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN ADDITIONAL WORK AUTHORIZATION WITH CAMP DRESSER & MCKEE, INC., REGARDING THE WATER TREATMENT PLANT EXPANSION PROJECT; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Partington moved, seconded by Commissioner Gillooly, to approve Resolution No. 2006-207, as read by title only.

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

Item #14 - Audience Remarks

There were no additional audience remarks.

Item #15 - Reports, Suggestions, Requests

Heart Walk

Commissioner Gillooly stated she looked forward to joining City staff on September 29 for the Heart Walk and urged as many people as possible to attend.

Redevelopment of the Ormond Beach Middle School

Commissioner Gillooly congratulated the citizens of the Northbrook area who worked alongside the School Board to insure that a good plan was developed for everyone with the redevelopment of the Ormond Beach Middle School.

Pop Warner

Commissioner Gillooly acknowledged the Pop Warner group. She stated the pep rally was held last Friday evening, and she commended them for what they do in community.

Halifax Habitat for Humanity

Commissioner Gillooly invited everyone to a breaking ground on its 100th Habitat home in this area on Saturday, September 30, located on Lane Avenue in Daytona Beach. She noted the Halifax Habitat for Humanity acquired seven lots on one street, which involved the cooperation with the City of Daytona Beach, the County of Volusia, private individuals, and the site committee. Commissioner Gillooly reported this would be the sixth house to change the neighborhood. She reported an Ormond Beach family sponsored this by making a personal \$40,000 donation.

Pop Warner

Commissioner Kent stated he met Commissioner Kelley and Commissioner Gillooly at the Pop Warner event. He noted Commissioner Kelley represented the City very well.

Flooding Issues

Commissioner Kent noted he received calls from constituents on Ponce de Leon Drive regarding major flooding issues. He stated he understood staff was aware of the issue, but he had not heard from staff regarding this problem.

Coffee with the Commissioner

Commissioner Kent stated Coffee with the Commissioner would be held at his home located at 130 Magnolia Drive on Monday, October 2. He reported the time would be changed to 5 p.m.

Pop Warner

Commissioner Kelley stated the energy and support at the Pop Warner event was great. He pointed out the City helped start this worthwhile cause. Commissioner Kelley stated this program was a great example of community involvement.

Commission Attitude

Mr. Turner commended the Commission for the professional attitude they set on the dais keeping focused on the issues.

County Charter Amendment

Mr. Turner stated the City contributed \$5,000 to the group opposing the County charter amendments at the last meeting. He noted a separate portion of this group obtained assistance from an outside counsel and they were requesting the cities make a combined effort of \$15,000 for this assistance and to pursue some type of litigation to oppose the Charter amendments. Mr. Turner noted he was not aware of the details at this time, but would obtain more information in the next few weeks.

Mr. Hayes stated the group retained an Orlando firm for \$15,000 to prepare a legal analysis and a draft complaint. He noted this \$15,000 would not include a commitment to proceed any further on a legal analysis. Mr. Hayes stated he informed the group that the Ormond Beach Commission earmarked \$5,000 for the informational portion, but nothing further.

Mr. Turner clarified this was separate from what the political action committee was doing.

Mayor Costello stated he spoke to County Council Chairman Frank Bruno several times, and he would attend the Volusia League of Cities tomorrow where Chairman Bruno would be speaking. He noted he, individually, informed Mr. Bruno that it was a shame people met for over a year in the Smart Growth Implementation Committee who made recommendations and the Charter Review Committee and the County Council did not follow those recommendations, which was a waste of the member's time. Mayor Costello stated he favored smart growth, and he would not object to the County maintaining oversight in the City after a property was annexed if the City had oversight in the County before the property was annexed. He advised if oversight were reciprocal, he could personally support it. Mayor Costello reported he was hopeful Mr. Bruno and/or the County Council would make a statement and plan to correct that and finish the job. He recommended discussing this issue at the next meeting. Mayor Costello stated it was incumbent for the City to make sure this was legal.

Pop Warner

Mayor Costello thanked Commissioner Kelley for representing the City at the Pop Warner event. He noted he voted for Pop Warner, but one of the Commission members who voted against Pop Warner personally informed him later that he believed that was a mistaken vote and he was excited about what they were accomplishing.

Ormond Crossings

Mayor Costello stated Ms. Downs from DOT asked him meet with her to inform her of the Ormond Beach issues relative to Ormond Crossings, and she would contact Secretary Stutler.

Bray and Gillespie

Mayor Costello requested staff contact the Bray and Gillespie representatives. He noted he received a call from a constituent who was upset with the person asking him to sign the petition and another who indicated the person asking him to sign the petition was very gracious. Mayor Costello asked staff to remind Bray and Gillespie that it was confusing for the residents and that they should be clear that they represent Bray and Gillespie. He requested staff obtain a copy of the petition as he had not seen it. Mayor Costello pointed out these solicitors not only represent Bray and Gillespie, but people link their actions with him, individually, and some members of the Commission as supporters of the opportunity to examine the Bray and Gillespie proposal. He urged these solicitors be polite, open, and make certain no one was confused.

Item #16 - Close the Meeting

The meeting was adjourned at 12:21 a.m.

APPROVED: _____ October 3, 2006

BY: _____
Fred Costello, Mayor

ATTEST:

Veronica Patterson, City Clerk