



MINUTES  
THE TOWN OF INDIAN RIVER SHORES  
6001 North Highway A1A, Indian River Shores, FL 32963

REGULAR TOWN COUNCIL MEETING

Thursday, October 25, 2012

3:30 p.m.

**PRESENT:**

**Thomas W. Cadden, Mayor**  
**Gerard A. Weick, Vice Mayor**  
**Frances F. Atchison, Councilmember**  
**Michael B. Ochsner, Councilman**  
**Richard M. Haverland, Councilman**

**STAFF PRESENT:**

**Richard Jefferson, Town Manager**  
**Laura Aldrich, Town Clerk**  
**Chester Clem, Town Attorney**  
**Robert Stabe, Public Safety Director**  
**Mike Jacobs, PSD Lieutenant**

**OTHERS PRESENT:**

**Residents Bill Beardslee (PZV), John Porta (Finance Committee),  
Allen Jones, Randy Rogers, Cris & Frances Ingraham, Bill Cull  
Amy Brunjes and coworker from FPL  
Family Members Paul Houchens, Kimberly Keithahn, Abby Keithahn  
Municipal Clerks Tracy Ackroyd (Clermont), Tammy Vock-Bursick (Vero  
Beach) & Sally Maio (Sebastian)  
Reporter VB 32963 (Meg Laughlin) & Janet Begley (Press Journal)**

1. **Call to Order**

- a. Pledge of Allegiance
- b. Invocation
- c. Roll Call

Mayor Cadden called the meeting to order at 3:30 p.m. with the Pledge of Allegiance and Invocation, followed by the roll call by the Town Clerk as reflected above.

2. **Consent Agenda**

- a. Acceptance of Planning, Zoning & Variance Board Minutes dated September 10, 2012
- b. Approval of Regular Town Council Meeting Minutes dated September 27, 2012
- c. Approval of 2<sup>nd</sup> Budget Public Hearing Minutes dated September 27, 2012

There was no discussion prior to the **motion made** by Vice Mayor Weick **to approve the consent agenda items as presented**, which was supported by Councilmember Atchison and **passed 5-0**.

3. **Planning, Zoning and Variance Board Report** (Vice Chairman Chris Hendricks)

- a. Draft Minutes October 8, 2012

Chairman Beardslee reported there was a request for a 4' aluminum fence with gates approved for a home in Indian Trails.

*Please Note: The Town of Indian River Shores does not routinely keep verbatim minutes. Any party interested in such an appeal relating to any decision made by the Council with respect to any matter considered at this meeting is responsible to record the meeting and include the testimony and evidence upon which the appeal is to be based.*

#### 4. Mayor's Items

##### a. Update on FPL Negotiations with City of Vero Beach

Mayor Cadden invited Amy Brunjes, Area Manager for FPL, to update the Council, who provided a handout to the Council. Since the last update a year ago, FPL has been continuing with due diligence, looking for the path to a winning situation for the City, the residents, and existing customers. The Florida Municipal Power Association (FMPA) agreement and Orlando Utilities agreement for generation (of power) had to be examined for extrication. Ms. Brunjes provided a handout to the Council, explaining general information about FPL, followed by the benefits gained by the City, the County and the Town if FPL would purchase the electric utility. The overall savings is estimated to be \$23-\$25 million, with roughly 13,000 residents inside the City limits saving about \$10.5 million a year, the County about \$12 million a year, the School district \$400,000 a year, IRMC \$500,000 savings a year, and about \$3 million in savings for Indian River Shores with FPL rates.

A new purchase offer more beneficial for the City was made since last year of \$179 million, which now includes \$115 million cash rather than \$100 million, and employee benefit liabilities at the time of sale of \$14.4 million. It covers the power purchase agreement with OUC for three more years at a cost of \$30 million, and a necessary transmission line upgrade of \$7.7 million, and there would be the cost to dismantle plant of \$4.7 million and relocation of the substation from the riverfront at a cost of \$7.8 million. All of this comprises the \$179.6 million offer.

How each customer saves \$488 a year, or \$10.87 million, the cost of the General Fund transfer of \$5.77 million, the G&A contribution of \$1.75 million, income from the franchise fee, power plant land lease (3-5 years) and possibly a payment of \$100,000 in lieu of ad valorem taxes during the transition were briefly discussed.

The third party agreements were the most significant step of this process, and now the City knows what its costs will be after a sale. On October 16<sup>th</sup> the City voted to execute the various agreements with 1) agreeing to pay Orlando Utility Commission \$20 million out of the sale proceeds to terminate the 30 year contract to generate electricity after only two or three years (it could've been as high as \$80 million); 2) OUC agreed to assume the City's power contracts with FMPA at a cost of \$34 million from the proceeds from the sale; and 3) FPL was allowed to take the 3-year agreement to purchase power from Stanton coal plants.

Vice Mayor Weick asked if the City would have to pay the bonds, and Ms. Brunjes said they are released, there will be relief from paying those. The City will have \$35-\$40 million after the sale counting their \$30 million in Reserves. The agreement also cannot close before January 2014, Ms. Brunjes continued, so there is a definitive date they are moving towards. There does not seem to be anything in the way of approvals, including the PSC. The territorial agreement needs to be addressed, and FPL has agreed to keep the existing employees for two years. The transition will be seamless and invisible to the customers. A Memorandum of Understanding is now a signed agreement between the City, FPL and OUC. **Another Open House will be hosted by FPL on November 29 so the public stays aware of the status of the sale, and encouraged the Indian River Shores residents to attend this event.**

The Vice Mayor asked if FPL begins paying taxes once they take over, and Ms. Brunjes replied that there would be a payment for taxes on assets of about \$180,000 per year, with a total temporary payment of perhaps \$500,000 for the first two years to help bridge the gap.

Mayor Cadden asked Ms. Brunjes to tell everyone at FPL that the Town is are very proud and pleased with the work FPL is trying to do, and is very interested in having the FPL being the provider for our electricity.

##### b. Presentation of Master Municipal Clerk Designation to Town Clerk Laura Aldrich (Tracy Ackroyd)

Mayor Cadden asked Ms. Ackroyd to come forward, who said she is the Central East District Director for FACC, and was joined by Tammy Vock, MMC, City Clerk for Vero Beach, and Sally Maio, MMC, City Clerk for Sebastian, to recognize the Town's Clerk, Laura Aldrich, for achieving Master Municipal Clerk certification. Laura has been a member of the Florida Association of City Clerks (FACC) since 1998, when she began serving as the City Clerk of Mary Esther before coming to be the Town Clerk in 2005. The FACC has 529 members, and of those, only 100 have achieved Master Municipal Clerk (MMC) designation. To achieve MMC status, one must first earn the Certified Municipal Clerk designation, which includes extensive educational programs and requires experience in working for a municipality. It prepares the applicant to meet the challenges of the complex role of a municipal clerk by providing a quality education through partnerships with 27 institutions of higher learning. The MMC Academy is an advanced continuing education program that prepares clerks to perform more complex municipal duties. There is, in addition to an extensive educational component, a professional and social contribution component as well as a commitment to lifelong learning. She asked them to join her in congratulating Laura on achieving this prestigious designation, and presented her with a plaque from the awarding institution, the International Institute Municipal Clerks. After the applause, Mrs. Aldrich was joined by the Mayor and Council in thanking Tracy Ackroyd for coming from Clermont to recognize this achievement.

5. **Town Attorney** (Nothing to report).

6. **Town Manager**

a. First Reading of Ordinance 509, LDC Flood Plain Amendment

Mr. Jefferson said the Federal Emergency Management Agency (FEMA) has mandated that the states have the responsibility to oversee FEMA requirements, and the legislature has passed down the unfunded mandate to make it part of the state Building Codes. The Town now has the responsibility to train someone as a Flood Plain Administrator and provide local enforcement. This Ordinance 509 must be in effect before December 4, he added before reading it in title as written below:

**AN ORDINANCE BY THE TOWN OF INDIAN RIVER SHORES, FLORIDA AMENDING THE CODE OF ORDINANCES TO REPEAL CHAPTER 165 OF THE LAND DEVELOPMENT CODE; TO ADOPT A NEW CHAPTER 165 OF THE LAND DEVELOPMENT CODE; TO ADOPT FLOOD HAZARD MAPS, TO DESIGNATE A FLOODPLAIN ADMINISTRATOR, TO ADOPT PROCEDURES AND CRITERIA FOR DEVELOPMENT IN FLOOD HAZARD AREAS, AND FOR OTHER PURPOSES; TO ADOPT LOCAL ADMINISTRATIVE AMENDMENTS TO THE FLORIDA BUILDING CODE; PROVIDING FOR APPLICABILITY; REPEALER; SEVERABILITY; AND AN EFFECTIVE DATE.**

Councilman Ochsner asked what impact this has on the Town, which Town Manager Jefferson replied we have to set it up and locally manage it as part of the State Building Codes. As the Building Official, he has the (Flood Plain Manager Administrator) license and the Town will have to pay to certify the license every year. Councilman Haverland asked if anyone will recognize the difference between FEMA handling this and the Town performing the function, and Mr. Jefferson replied that we have always enforced this locally. He added that the new maps did not affect our residents much, but in Sebastian, over 300 residents came out of a flood zone. A **motion to approve the first reading of Ordinance 509, LDC Chapter 165 Amendment for Flood Hazard and Flood Plain Administrative procedures** was made by Councilman Ochsner and supported by Vice Mayor Weick, which **passed unanimously 5-0**.

b. Replacement for Town Representation on Vero Beach Utilities Commission

Mr. Jefferson continued that a replacement is needed for this due to the resignation of Mr. Ed Wiegner. There are no candidates at this point. Councilmember Atchison said she knows of someone who may be interested, and was directed to the Town Clerk for more details later.

- c. Reappointment of Vice Mayor Jerry Weick to IRC Economic Development Council

With little discussion, a **motion** by Councilman Ochsner and seconded by Councilmember Atchison **to approve the reappointment of Vice Mayor Jerry Weick to the Economic Development Council passed unanimously.**

- d. Reappointment of Vice Mayor Weick to IRC Affordable Housing Advisory Committee

Mr. Jefferson asked for a **motion to approve the reappointment of Vice Mayor Weick to the Indian River County Affordable Housing Advisory Committee**, which was made by Councilmember Atchison and seconded by Councilman Ochsner, **passing unanimously.**

- e. Extend Agreement with Town Medical Director Michael Mattice through 12-31-2013

A **motion for approval to extend the agreement with the Town Medical Director, Dr. Michael Mattice, through 2013** was made by Vice Mayor Weick, supported by Councilmember Atchison, which **passed unanimously** with no discussion.

## 7. Council Discussion

### a. Council Items

- 1) Personnel Policies and Procedures Manual Update (Councilmen Haverland)

Councilman Haverland said about six months or so ago we began to look at the Personnel Policy & Procedure Manual, and decided to wait until the collective bargaining contract was negotiated. Having reread the Manual recently, he found it is totally outdated and recommended that the Council have a workshop and incorporate any needed updates.

Town Manager Jefferson said he gave a copy to the Finance Committee for review, and has already included the changes to the Sick Leave and Vacation Policy as negotiated with the Union in the manual. Councilman Haverland asked about Personal days and other matters that need corrected, and the Town Manager Jefferson agreed that it does need to be further updated. Councilman Ochsner said the Finance Committee is meeting in November to discuss the Personnel Manual and the retiree insurance. Councilman Haverland asked for a draft by next the Council meeting, and with the shortened timetable with Thanksgiving, he thought it might be constructive to get input now from the Council. Councilman Ochsner said if they would provide written input to Laura before the Finance Committee meets, they would be able to consider it as well. Mr. Jefferson said he would forward the current manual to the Council tomorrow.

- 2) Impact of Public Safety CBA on other Personnel (Councilman Haverland)

(covered in 1) above)

- 3) Proposal to Terminate General Employees DB Pension (Councilman Haverland)

Councilman Haverland provided material that supported this to the Council, noting it is not widely used (only two of nine eligible were using the benefit); and the cost to fund it is "like playing Russian roulette," leaving us \$300,000 in the hole even though the returns on the portfolio are generous. Three retirees and two employees are on the plan he added. Vice Mayor Weick questioned how we are short if we are budgeting \$50,000 and paying \$48,000. Councilman Haverland said if we were to terminate the plan, the current employees who have earned credits and existing retirees would have checks cut and there would be no administration or fees afterwards. Vice Mayor Weick and Councilman Ochsner agreed we need to look at it, and discussed scenarios about terminating the plan going forward. Mr. Clem was concerned about obligation for future councils, with no determinate time. Councilman Haverland said we will have to consider future savings, but right now there will be a cost of about \$300,000 to the Town. All of the Council was in agreement that they

should go forward with this, and agreed with Mr. Clem, they need an actuary and a legal obligation on this.

**Retirement of Town Treasurer.** Councilman Haverland had one other item to discuss, and that was he had heard that our Town Treasurer has resigned, and what we will be doing to replace her. Town Manager Jefferson said Mrs. Lewis retired, and we are accepting applications. Qualified applicants will be chosen from those and the top five or so interviewed. The Finance Committee or its Chairman and Town Manager will be assisting on selection and interviews. The job was advertised in professional venues, the Florida League of Cities and the Press Journal. Councilman Ochsner said he is saddened by her departure, having enjoyed working with her and wishes her the best.

**City of Vero Beach Water Bill.** Councilman Ochsner noted that he had received his COVB water bill, which went down 19% or 20%. Vice Mayor Weick noticed slightly more than a 20% decrease in his bill also.

b. Committee Reports

**TCCLG (Treasure Coast Council for Local Governments).** Councilman Ochsner said he attended this as Alternate for Councilman Haverland. They have a new Chairman, Peter O'Bryan and Ingrid Van Hekken is Vice Chair. They adopted priorities that focus on home rule, unfunded mandates, water quality, the Lagoon, and a ban on texting while driving. The TCCLG will use membership fees to send delegates to Tallahassee to represent the four counties and various levels of government.

**Beach and Shores.** Councilman Ochsner reported that the RFQ for beach engineering and environmental has netted 12 applicants, of which six are qualifying for engineering and environmental, three each for engineering or environmental. The BCC expects to have all data and approval by mid-November. James Gray, the Coastal Engineer, provided a fact sheet on dune restoration in Sector 3. They are trying to get the State to step up to cost-share, which has not yet been done. Rick Herran reported to the Committee that the 2012 turtle season was very successful. The loggerhead turtles in our six county area encompass 90% of all of the loggerheads in the Western hemisphere. There were 15,000 crawls and 7,500 nests, which has been on an uptrend over the last five years. Lastly, Sebastian Inlet placed sand in Sectors 1 and 2 that had been delayed until after the turtle nesting season.

**MPO.** No meeting.

**TCRLC (Treasure Coast Regional League of Cities).** No meeting.

**EDC.** No meeting.

**Mayor Cadden** noted that we desperately need FPL for Town electricity.

8. **Call to Audience**

Chief Stabe had a conference call with IRC EOC, and **Hurricane Sandy** is expected to pass 200 miles east of Jupiter inlet tomorrow morning. We are looking at 30-40 mph sustained winds through Saturday morning with gusts up to 60 mph. Tremendous beach erosion is expected, and 12'-18' waves. Town Clerk Aldrich mentioned hurricane information on the Town website, and Councilmember Atchison added that the website also has sample ballots and early voting information.

9. **Adjournment**

Hearing no further comments, the meeting was adjourned at 4:25 p.m.

Respectfully submitted,

/s  
Laura Aldrich, Town Clerk

(Approved by the Town Council at the 11-15-12 meeting)