

**CITY OF VERO BEACH, FLORIDA  
AUGUST 8, 2023 9:30 A.M.  
REGULAR CITY COUNCIL MINUTES  
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA**

Reverend Joe LaGuardia of First Baptist Church gave the invocation.

**PRESENT:** John Cotugno, Mayor, present; Linda Moore, Vice Mayor, (via Zoom), present; Tracey Zudans, Councilmember, present; John Carroll, Councilmember, present; and Rey Neville, Councilmember, excused absence. **Also Present:** Monte Falls, City Manager; John Turner, City Attorney and Tammy Bursick, City Clerk

**1. CALL TO ORDER**

**A. Pledge of Allegiance**

Mayor Cotugno led the Council and the audience in the Pledge of Allegiance to the flag.

**B. Roll Call**

The City Clerk performed the roll call.

**2. PRELIMINARY MATTERS**

**A. Approval of Minutes**

**1. Regular City Council Minutes – July 11, 2023**

**Mr. Carroll made a motion to approve the minutes of the July 11, 2023 City Council meeting. Mrs. Zudans seconded the motion and it passed unanimously.**

**A. Agenda Additions, Deletions, and Adoption.**

Mr. John Turner, City Attorney, noted for the record that Vice Mayor Moore was present for today's meeting via Zoom due to a medical condition and that she may participate fully and vote since she can see and be seen.

**Mr. Carroll made a motion to approve the agenda. Mrs. Zudans seconded the motion and it passed unanimously.**

**B. Proclamations and recognitions by Council.**

**3. CONSENT AGENDA (include amount of expense)**

**A) School Resource Officer Agreements**

**B) Lease Agreement for Youth Sailing Foundation of Indian River County, Inc.**

- C) **Approve Final Payment to Garland/DBS, Inc. for (\$36,182.99), Public Works Roof Replacements, Contract #71-2020, Project 2019-26**
- D) **Work Order 14 for Hanson Professional Services to conduct Taxiway B Rehabilitation Design (\$299,985.00)**
- E) **Cleaning, Inspection, Diving and Documentation of Tanks Final Payment – Bid No. 080-23/RT Award (\$8,572.00)**
- F) **Replacement Wells No. 2, 8, 9, 25 and C2 – Bid No. 180-23/RT Bid Award (\$3,557,000.00)**
- G) **FY 22/23 Pipe Lining (Cost \$280,315.59) Task Order No. 4 to Contract No. 85-2021 PW Project Nos. 2020-18; 2022-33; 2023-25**
- H) **Bid No. 200-23/CSS, Annual Supply Contract for Unleaded Gasoline and Diesel to the Marina**
- I) **Pricing Update for City Fleet Vehicles on Municipal Lease-Purchase Finance Contract #3359767**

Mr. Carroll pulled item 3-J) off of the consent agenda.

Mayor Cotugno opened and closed public comments on items 3-A) through 3-I).

**Mr. Carroll made a motion to approve the consent agenda items 3-A) through 3-I. Mrs. Zudans seconded the motion and it passed unanimously.**

#### **J) Recommendation of Award, Professional Real Estate Marketing Contract**

Mayor Cotugno opened and closed public comments on item 3-J).

**Mayor Cotugno made a motion to remove item 3-J) for further discussion. Mr. Carroll seconded the motion and it passed unanimously.**

Mr. Turner noted that the matter has been pulled off of the consent agenda by Mr. Carroll for discussion.

Mr. Carroll said in reviewing the contract he had a number of concerns with the contract language in that it extends outside Exhibit A. In abundance of caution he recommended some modifications to certain language to Mr. Turner yesterday for his review and comment.

Mr. Turner said the concerns expressed were regarding the marketing plan. He asked Council to continue this item to be heard under City Manager's matters.

**Mayor Cotugno made a motion to move item 3-J) to be discussed under City Manager's matters. Mr. Carroll seconded the motion and it passed unanimously.**

## **4. PUBLIC HEARINGS**

### **A) ORDINANCES**

None

**B) RESOLUTIONS**

- 1) **A Resolution of the City Council of the City of Vero Beach, Florida, Amending the City of Vero Beach General Employee Retirement Plan; Amending Article 5, Retirement Benefits, to provide for the In-Service Distribution of Retirement Benefits; Providing for Incorporation into General Employee Retirement Plan; Providing for Conflict and Severability; and Providing for an Effective Date.**

The City Clerk read the Resolution by title only.

Mr. Monte Falls, City Manager, reported that in an effort to retain employees staff is recommending that they allow distributions to the pension plan once an employee reaches the age of 65, which could continue for a maximum of five (5) years at which time the employee would have to either retire or stop receiving the distributions.

Mayor Cotugno opened and closed the public hearing at 9:39 a.m., with no one wishing to be heard.

Mr. Carroll thought this was a great idea. He said they don't want to lose seasoned employees, especially when they were still productive.

**Mr. Carroll made a motion to approve the Resolution. Mrs. Zudans seconded the motion and it passed 4-0 with Mr. Carroll voting yes, Mrs. Zudans yes, Vice Mayor Moore yes, and Mayor Cotugno yes.**

- 2) **A Resolution of the City Council of the City of Vero Beach, Florida, Requesting the Board of County Commissioners of Indian River County to adopt the areas set forth in Exhibit "A" as areas of Limited Local Anchoring pursuant to State Law; Providing for an Effective Date.**

The City Clerk read the Resolution by title only.

Mayor Cotugno opened the public hearing at 9:40 a.m.

Mr. Keith Drewett stated that he serves on the Clean Water Coalition (CWC) Board and is also the Chairman of the Marine Commission. He reported that they have been working hard over the past few years to try to improve the situation of derelict vessels in the Lagoon. As of yesterday there were 16 vessels anchored in City waters. Most were abandoned, left unattended, there were a few live-a-boards and maybe one (1) transient. He said four (4) vessels were sunk, which was very challenging to remove. One (1) vessel has been there for three (3) years. He said with the next hurricane they have that vessel would probably sink. It focuses on early action of dealing with vessels before they sink or before they

become derelict. It would allow vessels to stay for 45-days. He noted that he hated to do this, but it was necessary. He said this is a new tool that the Fish and Wildlife has given them and he felt that this would make a big difference.

Mr. Carroll asked how would this help.

Mr. Drewett explained that it would allow a vessel to anchor for no more than 45-days in an anchoring limitation area. He said an application must be made by the County on behalf of all the jurisdictions. Once the County makes the application and it is approved, the County would then have to mark the limits of the area with approved signs and buoys. Then the vessel could stay for 45-days and then must move. If they don't move, the Police Department, the Fish and Wildlife or the Indian River County Sheriff's office could start the process to have the boat removed.

Mr. Falls noted that Indian River County indicated that they were willing to do this and asked the City for this Resolution supporting this and once the Resolution is passed the County would place this item on their agenda. He noted that the County has the maps for the anchorage limitation areas. He reported that there was one (1) area south of the Barber Bridge that goes to the south side of Memorial Island and into the Quail Valley Marina area and one (1) area north of the Vero Beach Marina where the mooring field is located and through the first cut to the south. They feel that is where the majority of the vessels have been staying without authorization and this is their first shot at trying to clean that up.

Mrs. Zudans asked if they have gotten any further with extending the mooring fields.

Mr. Falls reported that they were currently working on the permits.

Mayor Cotugno closed the public hearing at 9:46 a.m., with no one else wishing to be heard.

**Mr. Carroll made a motion to approve the Resolution. Mrs. Zudans seconded the motion and it passed 4-0 with Mr. Carroll voting yes, Mrs. Zudans yes, Vice Mayor Moore yes, and Mayor Cotugno yes.**

- 3) A Resolution of the City Council of the City of Vero Beach, Florida, Establishing Policies and Procedures relating to the Naming or Renaming of Public Parks, Public Recreation Facilities, Public Buildings, and Structures; Maintenance of Structures by Donors; Repealing any Conflicting Policies; and Providing for an Effective Date.**

The City Clerk read the Resolution by title only.

Mayor Cotugno opened and closed the public hearing at 9:47 a.m., with no one wishing to be heard.

Mr. Turner reported that this item went before the Recreation Commission and they discussed it and it was approved by a vote of 3-1.

**Mrs. Zudans made a motion to approve the Resolution. Mr. Carroll seconded the motion and it passed 4-0 with Mr. Carroll voting yes, Mrs. Zudans yes, Vice Mayor Moore yes, and Mayor Cotugno yes.**

- 4) A Resolution of the City Council of the City of Vero Beach, Florida, Authorizing the City to enter into a Public Transportation Grant Agreement Amendment 2 with the Florida Department of Transportation for a Project entitled “VRB ARFF Vehicle” (FDOT #451499-1-94-01); Providing for an Effective Date.**

The City Clerk read the Resolution by title only.

Mr. Falls stated that this Resolution would allow the City Airport to purchase a new firefighting vehicle. He reported that 80% would be funded by The Florida Department of Transportation (FDOT) and 20% would be funded by Airport funds. He noted that these funds were budgeted and staff recommends that Council moves forward. He stated that the new vehicle is required to provide the level of support for the commercial service that they have.

Mayor Cotugno opened and closed the public hearing at 9:38 a.m., with no one wishing to be heard.

**Mr. Carroll made a motion to approve the Resolution. Mrs. Zudans seconded the motion and it passed 4-0 with Mr. Carroll voting yes, Mrs. Zudans yes, Vice Mayor Moore yes, and Mayor Cotugno yes.**

Mr. Falls noted that they were currently serving that need with a leased vehicle and this would make it a permanent vehicle.

- 5) A Resolution of the City Council of the City of Vero Beach, Florida, Authorizing the City to enter into a Public Transportation Grant Agreement with the Florida Department of Transportation for a Project entitled “Rehabilitate Terminal Building Phase II” (FDOT #449616-1-94-01); Providing for an Effective Date.**

The City Clerk read the Resolution by title only.

Mr. Falls reported that this was a second grant in a two (2) grant process to make renovations to the Airport Terminal to better serve the Airport. He reported that 80% would be funded by FDOT and 20% would be funded by Airport funds. The total of the two (2) grants was \$1.5 million. Staff recommends approval.

Mayor Cotugno opened and closed the public hearing at 9:50 a.m.

Mr. Carroll said he would like the Airport Director to summarize the scope of the project.

Mr. Todd Scher, Airport Director, reported that the grants were applied for before they had an airline. The intent was and still is to make modifications and repairs to the Terminal building, such as new entry doors, charging stations, restriping the parking lot, repairing the ceiling, etc. He said that they would also be putting in some covered walkways, a covered exterior baggage claim area and they would be converting the former banquet rooms into a waiting area for the airline.

Mr. Carroll questioned the source of the matching funds.

Mr. Scher reported that the matching funds would come from Airport revenue.

Mayor Cotugno closed the public hearing at 9:52 a.m., with no one wishing to be heard.

**Mr. Carroll made a motion to approve the Resolution. Mrs. Zudans seconded the motion and it passed 4-0 with Mr. Carroll voting yes, Mrs. Zudans yes, Vice Mayor Moore yes, and Mayor Cotugno yes.**

#### **5. PUBLIC COMMENT (3-minute time limit)**

Mrs. Barbara Ruddy said that she recently visited Hendersonville, North Carolina, which was the same size as Vero Beach. She said they have a Mainstreet like our Mainstreet, however it looks very different. She said they have extra wide sidewalks that accommodates outdoor dining, they have pennants that advertises upcoming music and art festivals and the street is filled with restaurants and art galleries. She said trees, shrubs, and flowing baskets were everywhere and there was no traffic. She felt that Vero Beach could have the same thing by working with landlords, tenants, etc., who were interested in the revitalization of MainStreet. She said that she was glad to see that the Council increased the mileage rate and she hoped that upward movement would continue.

Mrs. Zudans said that she also recently visited Hendersonville, North Carolina and the Downtown is adorable. She said they have a very eclectic mix of stores, restaurants, etc. She noted that they do have paid parking, which is part of the income base for some of their Downtown projects. She said that she was not saying that would be a fit for Vero Beach, but she did want to mention that they do have paid parking, which she did not necessarily think would work here.

Mr. Tony Young wanted to take the opportunity to follow up on a request from the Vice Mayor that they help in recognizing a WWII Veteran who was celebrating his 100<sup>th</sup> birthday. He reported that on Friday they went to the Renaissance facility to recognize Mr. Elmer Duncan. He stated that they would be holding another recognition for Mr. Chuck Strarcevich, who would be celebrating his 100<sup>th</sup> birthday on Monday, August 14<sup>th</sup> at the American Legion. He then reported that the flag was removed from Veterans Memorial Island Sanctuary, which means that the bridge work has started.

Mr. Ken Daige thanked Mr. Young for doing so much for this community concerning veterans and for the history lessons that he gives. He said that item 3-J) was pulled from the consent agenda because a Councilmember had some concerns. He asked that when Council discusses this item that they list all the concerns that the Councilmember had.

## **6. CITY COUNCIL MATTERS**

### **A) NEW BUSINESS**

#### **1) Approval of letter being signed by the Mayor to be sent to the Indian River County Administrator concerning Derelict Vessels**

Mrs. Tammy Bursick, City Clerk, reported that this is a request for Council to approve the Mayor signing a letter that would be sent to Indian River County regarding derelict vessels.

**Vice Mayor Moore made a motion to approve the Mayor to authorize the letter. Mr. Carroll seconded the motion and it passed 4-0 with Mr. Carroll voting yes, Mrs. Zudans yes, Vice Mayor Moore yes, and Mayor Cotugno yes.**

### **B) OLD BUSINESS**

## **7. PUBLIC NOTICE ITEMS FOR FUTURE PUBLIC HEARING**

## **8. CITY CLERK MATTERS**

### **A) City Historian**

Mrs. Bursick reported that it was brought up at a recent Veterans Memorial Island Sanctuary Committee meeting that they did not know if the City had a City Historian. She recalled that years ago the City did have one and after doing some research she discovered that the City Historian the City had has since passed. Therefore, at this point the City does not have a City Historian and she didn't know if this was something that the Council wanted to consider. She reported that Mrs. Ruth Stanbridge serves as the County Historian and has served in that position for a long time.

Mrs. Zudans did not think it was necessary to have a City Historian. She said they have done fine without one and would recommend not having one at this time.

City Council agreed with the meeting date changes.

### **B) November City Council Meeting Dates**

Mrs. Bursick reported that the City Council Election falls on the first Tuesday in November. If the City Council held their meeting on the second Tuesday of the month that would mean that the old City Council would have to come and serve at that meeting. She

reported that the City Manager, the City Attorney and herself discussed this and came up with some alternative dates. Their suggestion was that the City Council meet on the first Tuesday and the third Tuesday of November and hold the Organization Meeting on November 22<sup>nd</sup>.

Mr. Falls said the first Council meeting would be held on November 7<sup>th</sup>, the Organizational meeting would be held on November 22<sup>nd</sup> and the final City Council meeting would be held on November 28<sup>th</sup>.

The City Council agreed.

### **C) Lien Reduction Request – 1565 30<sup>th</sup> Avenue**

Mr. David Currey, Police Chief, reported that Mr. Jeff Tomlinson, property owner, submitted an application to reduce a lien of \$8,050 to zero for the property located at 1565 30<sup>th</sup> Avenue. In July, 2022, Mr. Tomlinson was cited in violation of City Code Section 78.83 (a)(4), which states, *“Commencing January 1, 2016, each owner of private wastewater disposal system shall cause the pump out of the system on a regular frequency not to exceed every five (5) years. In addition to the pump out, the owner shall have a licensed septic tank contractor perform an inspection of the private wastewater disposal system. For each such inspection the septic tank contractor shall complete a septic tank pumping inspection report in the form specified by the director and file such report with the City within 10 business days.”* He said that Mr. Tomlinson was cited on July 15, 2022, with a correction date of July 29, 2022. The case came before the Code Enforcement Board on September 14, 2022 and the Board allowed 30 additional days to come into compliance. He said that this is rental property and Mr. Tomlinson resides in Palm City. Mr. Tomlinson hired Mr. John Govea, owner of GE Emergency Restoration/Triton Property Management, located at 1610 A1A, Vero Beach to manage the property. He reported that Mr. Tomlinson asked Triton Property Management to hire a septic company for a City inspection and they contacted Best Septic in July, 2022, to do the inspection. Best Septic stated that they would need to do a pumpout in order to do an inspection, which was scheduled for August, 2022. The pump out and inspection was completed in the middle of August, which means that this was done before the first Code Enforcement Board hearing in September. It was stated in an email by Mr. Govea that he met with Mr. Angel Reyes Garcia of Best Septic and was told that the septic system passed the inspection, Mr. Garcia was paid and told Mr. Govea that he would fill out and submit the inspection when he returned to his office. He reported that Mr. Govea contacted Mr. Tomlinson in September, 2022 wanting to make a conversion to City hookup to avoid future issues. It was at this time Mr. Tomlinson told Mr. Govea that he received a Notice of Hearing due to not having an inspection. Mr. Govea contacted Mr. Garcia multiple times thereafter and each time was told that he forgot to submit the inspection and then Mr. Garcia stopped answering his phone. They later learned that Mr. Garcia had been arrested. Mr. Tomlinson hired another septic company to do a pump out and complete an inspection once again and the property was found in compliance on January 5, 2023. He said this was all done and inspected in August, which was before the first Code Enforcement Board hearing. He recommended that they reduce the continuing



civil penalties to zero and that Mr. Tomlinson pay \$162, which was for the initial civil penalty and recording fees to release the lien.

Mrs. Zudans said that she did not have a problem with the recommendation.

**Mayor Cotugno made a motion to approve the recommendation by Chief Currey on the reduction of the fine and to cover the costs. Mrs. Zudans seconded the motion and it passed 4-0 with Mr. Carroll voting yes, Mrs. Zudans yes, Vice Mayor Moore yes, and Mayor Cotugno yes.**

**9. CITY MANAGER MATTERS (include amount of expense)  
(Staff/Consultant special reports and information items)**

**A) Schedule for Stormwater Utility FY 23/24**

Mr. Falls reported that each year the Stormwater Utility requires an annual update of the assessment roll and to provide notices to new customers. During the budget process they implemented the Stormwater Utility for this year with the collection of \$100,000 resulting in an assessment of \$7.00 per ERU. The remainder of the Stormwater Utility funding was backfilled from the American Rescue Plan funds. They are asking Council for their approval to move forward and update the assessment roll and any other administrative tasks associated with it for 2023/2024.

Mr. Carroll asked if he was correct that they were not authorizing any type of revision of the rate study or anything they did during the Budget Hearings.

Mr. Matt Mitts, Director of Public Works, said that was correct. He explained that this was an information item for Council and to get confirmation to carry forward the policy that they set at the March 2, 2023 meeting. He noted that at the March 2<sup>nd</sup> meeting it was requested that they have the consultant come in to consider the possibility of revising items, such as their mitigation policy or the stormwater plan in general. He noted that was not what they were doing today. He said if Council does have questions on these items he would need to know at some point for the next fiscal year. Right now they were just carrying forward the Utility as directed.

Vice Mayor Moore asked if she was correct that this was the last year of the ARP funds and next year they would have to change this.

Mr. Mitts said that is correct.

Mrs. Zudans said this was already approved so this was really for approval to move forward with what they were directed to do.

Mr. Mitts said that is correct.

The City Council was in favor of moving forward.

**B) Approval of a Purchase Price for City-owned Real Property Adjacent to 608 Cypress Road**

Mr. Falls gave some background on this item. He reported that in 1987 the City Council authorized the sale of City-owned fee simple half lots that were once proposed to be used for the extension of Eagle Drive and Flamingo Drive. Each of the half lots may be offered to its respective adjacent property owner with a retention of a 12.5 wide easement. This item was brought before Council earlier this year with a recommended purchase price and Council asked staff to get a certified appraisal of the property. The City received a certified appraisal and the applicant also got an appraisal. The City's appraisal was \$100,000 and the private appraisal was \$35,000. So what staff did was present to Council an offer to the property owner to average the two (2) appraisals with the costs of the City getting paid back for the appraisal, as well as staff's time for a purchase price of \$70,000.

Mr. Russell Flinchum said earlier this year they met with Mr. David Gay and Mr. Falls and they came up with a cost of \$42,000. They entered into a contract and purchased the property. Then the cost changed from \$42,000 to \$100,000. He said because that was such a dramatic change they solicited advice of an independent third party appraisal. They looked at the appraisal that they received and the appraisal that the City received and there was a big difference in the methodology of the two so they brought their appraiser to present his appraisal to the Council so they could decide which one had the most merit. He said there were three (3) topics at play. One is that they went into this with the expectation of \$42,000 and then it jumped to \$100,000. Secondly is the difference in the appraisals. There was 140% difference from the time they purchased the property to the new appraisal. Also, if they were to put this piece of property out for auction there would be one (1) person out of 350 million that would be bidding for it, which would be him because he was the only person who has any value to it. That was one thing that the City appraisal did not take into account. It didn't take into account that there was a limited marketability. He felt that was very important that there was only one (1) person that this property had any value to. He said these were platted lots at 100-feet that could be built on. But what happened was several years ago someone came in and developed small lots and it crowded the neighborhood and they didn't like it so they came up with a scheme that took a 600-foot circumference and averaged it out. What that does is that it takes one (1) property within 600-feet and eschews everyone in that envelope from building on what was a platted lot back in history. Therefore, they have a 100 x 140 foot lot, which is 14,000-feet and that exceeds the minimum square footage by 40%. Therefore, if someone builds a house that is too big they would then have to average that in so now he needs 102-feet, but the lots are 100-feet. That is what prompted this because they needed an addition two-feet and there was 25-feet available and that is why they purchased it. He said all it takes is one (1) property to throw it out of kilter or one (1) property to put it back in kilter. He met with Mr. Jeffries on this several years ago on property in Riomar and he agreed that this was something the City was going to look at because he didn't think that it was fair or feasible. He said this is a weakness in the Code that Mr. Jeffries was going to address. He said they were two (2) feet over the limit and they wouldn't need this square footage, much less

another \$100,000 expenditure for two (2) feet. He asked that Council listen to his appraiser because he thinks that his appraisal was more warranted than the City's appraisal.

Mayor Cotugno said that he was looking at this as it exists now under the current Code. He asked Mr. Flinchum if he was objecting to the compromise of \$70,000.

Mr. Flinchum said that he does not agree with the \$100,000 appraisal.

Mayor Cotugno said they were addressing the \$70,000 compromise, which was based on the \$100,000 appraisal and the \$35,000 appraisal. He asked Mr. Flinchum if he was objecting to the price of \$70,000.

Mr. Flinchum said that he was objecting to the \$100,000 appraisal. He felt it was a poorly done appraisal and that it had no merit.

**Mayor Cotugno made a motion to table this and to make it an agenda item for further discussion.**

Mrs. Zudans said that she did not have a problem with tabling this and bringing it up at their next meeting. She asked that they keep in mind that this property was only valuable to the current property owners that align with it and they have been in this situation before on Indian River Drive and Grey Twig, which took a long time to get through and at the end of the day it was in the best interest of the City to go with a lower amount because no one else was going to have value in it but the property owners.

Mayor Cotugno agreed. He felt that if they were going to get into a discussion on whose appraisal is better than the other person's appraisal then they should table this item and have it as an agenda item at a later City Council meeting.

Mr. Carroll recommended that they also have the City's appraiser present as well.

Mrs. Zudans asked if they could bring this back at their next meeting.

Mr. Falls said the City had an appraisal done and so did the applicant and he was not questioning either of them because they were done by certified appraisers.

**Mrs. Zudans made a motion to table this item to their next meeting. Vice Mayor Moore seconded the motion and it passed 4-0 with Mr. Carroll voting yes, Mrs. Zudans yes, Vice Mayor Moore yes, and Mayor Cotugno yes.**

### **C) Plantings in the Right-of-way**

Mr. Falls reported that the Planning and Zoning Board discussed this and it was their recommendation that they limit plantings in the right-of-ways to only sod and grass. As they started to roll this out staff was getting some pushback from property owners who wanted to do things other than just have sod or grass. They wanted to have native plants,

Florida friendly plants, and some wanted to plant trees. Staff went back and reviewed this and agreed with the property owners that they could allow plantings of Florida friendly landscape materials in the right-of-ways as long as they didn't do anything to detract from sight distance for vehicles, site drainage, or utilities. Staff was adamant that trees should not be planted in the right-of-ways. Staff is proposing that the Council affirm their decision to allow those plantings in the right-of-ways and then staff could implement the policy going forward.

Vice Mayor Moore questioned so they were still allowing sod and grass and were not making it mandatory to have Florida friendly plantings.

Mr. Falls said that was correct. They would allow sod, grass, and/or Florida friendly plantings as approved by the Public Works Department.

Mrs. Zudans asked if they would have a list of the native plants.

Mr. Falls said they were already incorporated in the Planning Department's Code of Ordinances.

Vice Mayor Moore asked if they have to allow sod or grass.

Mr. Falls felt that was an individual decision that the property owner's would like to make.

The City Council agreed.

#### **D) Florida Resilient Coastlines Program Grant (\$150,000 Award)**

Mr. Falls reported that the Florida Resilient Coastlines Program (FRCP) distributes State funds to provide financial assistance to coastal communities to assess the vulnerability of critical assets against current and future effects of sea level rise, coastal flooding, erosion, and ecosystem changes. This study was funded solely with the \$150,000 grant and the City does have to make a match, but they are required to do the assessment. He said they would do this in two (2) phases. Phase I would focus on the new Waste Water Treatment Plant, which was a \$30,000 portion. The remainder would focus on City assets, stormwater assets, etc. This was an informational item and no action was required.

#### **E) General Employee Pension Plan Cost of Living Adjustment for FY 23-24**

Mr. Falls reported that the City Council is required each year to consider the cost of living adjustment (COLA) for retirees of the City of Vero Beach. The retirees were broken into two (2) categories, employees who retired prior to 1998 and employees who retired after that. By the retirement plan guidelines and rules the employees who retired after 1998 were guaranteed a 1% COLA and the employees who retired before 1998 were not guaranteed a COLA. However, past City Councils have always treated all retirees the same. Last year the City Council elected to give the retirees a 3% COLA. Staff

recommends that the Council offer a COLA to the retirees somewhere between the mandatory 1% and 3%.

Mrs. Zudans said that she was okay with the recommended 2% if that was the desire of the Council.

Mr. Carroll said to clarify, this would be for all retired employees.

Mr. Falls said it would be 2% for this coming fiscal year for all retired employees.

**Mrs. Zudans made a motion to approve a 2% COLA for all retirees. Vice Mayor Moore seconded the motion.**

Mayor Cotugno opened and closed public comments at 10:35 a.m., with no one wishing to be heard.

**The motion passed 4-0 with Mr. Carroll voting yes, Mrs. Zudans yes, Vice Mayor Moore yes, and Mayor Cotugno yes.**

**F) Fiscal Year 23-24 Proposed Budget – Updates since July 17-18 Workshops**

\*Please note that this item was heard after item 9-G) on today's agenda.

Mr. Falls said that this was an update on where they were with the budget. He reported that as they finished the budget workshop, they were looking to add four (4) additional positions in the Police Department and they have been included in the budget. As their memorandum was drafted for today's meeting they were \$40,000 in the hole. On Friday the Finance Department received information from the Communication Services Tax that they had an increase of the revenue source, which put them at about \$57,000 to the good. He reported that they were still waiting on the Local Option Gas Tax number, but as they stand today they were \$57,000 to the good at last year's mileage rate. They also received some good news from the Discretionary Sales Tax of about another \$650,000, which enabled them to plug in a half a million dollars for paving and the remainder to be held for unforeseen things that may come up.

Mrs. Kelley Brost, Assistant Finance Director, noted that the four (4) positions that they added to the budget were tiered in.

Mr. Falls recommended that the City Council hold another workshop meeting on August 21, 2023 at 9:30 a.m. on this.

The City Council agreed.

At this time, Council went back to item 3-J).

**G) General Employee Pension Plan Cost of Living Adjustment for FY 23-24 for current Employees**

\*Please note that this item was heard after item 9-E) on today's agenda.

Mr. Falls reported that when the City's pension plan was frozen in 2015 the benefits were frozen in time and have not and will not under the current plan increase from the 2015 pension benefit. Employees who retired prior to 2015 their pension benefits goes up by at least 1% per year. He said there were a group of employees who asked for consideration of several things to add to the pension benefit as of 2015. There were four (4) scenarios done, which were analyzed and the information is included in their backup.

Mr. Malichi Waterman, Actuary, began to go over a chart with the Council.

Mr. Falls said this information was not included in their backup.

The City Council took break at 10:37 a.m., in order for the information to be copied and presented to them.

Mayor Cotugno called the meeting back to order at 10:45 a.m.

Mr. Malichi went over the Actuarial Impact Statement of the four (4) scenarios with the City Council (attached to the original minutes).

Mr. Carroll asked how many individuals does this affect.

Mr. Malichi said as of the last evaluation there were 153 active participants.

Mrs. Zudans asked how many were close to retirement.

Mr. Malichi said probably close to half.

Vice Mayor Moore said this was something that they do need to rectify.

Mr. Falls said that when they discuss the budget information he was going to discuss scheduling a final workshop meeting so the Council could study this and they could make a final decision at the workshop meeting.

The City Council agreed.

At this time, Council heard item 9-F) on today's agenda.

**J) Recommendation of Award, Professional Real Estate Marketing Contract**

Mr. Turner reported that Mr. Carroll made some recommendations and had some questions on some of the provisions, which generally speaking were word changes that were more

applicable to a marketing contract, rather than their standard consulting agreement. He said the changes were reflected in Mr. Carroll's remarks. He noted that this contract was something they were pushing to get ready for the release of publication and distribution of the Request for Proposal (RFP) that would be going out on August 15<sup>th</sup>. He said the contract could be approved subject to the following changes. He then read the following proposed changes into the record: page 2, delete item 4(b), item 4(e) replacing *competent planning and design firms* with *real estate marketing firms*, delete item 4(f) and 4(g); item 5) change *drawings, specifications, and contract documents* to *marketing materials*; page 3, change *survey notes, field books, tracings, and the likes* to *marketing materials*, Section II A-1) insert the *approved concept plan* prior to *survey notes; survey notes*; page 4, delete Section B-3), Section III) insert *marketing plan* prior to the word *plans* and delete *and scope*; page 5, Section V-B) insert *marketing plans* prior to the word *reports*, Section VI-A1), insert the word *professional* for *contractor*; page 6, item 2 and 3, insert the word *professional* for *contractors*; and page 9, item B) insert *marketing plans* before *drawing*. He said they need the Council to approve the changes so they can approve the contract now and they would then prepare the contract including these changes to be executed by the Mayor.

Mayor Cotugno questioned so they want a motion to approve the changes.

Mr. Turner said it would be a motion to approve the contract as offered with the changes that were just noted on the record.

Mr. Falls explained that Colliers International Florida would assist the City in getting the word out for the Request for Proposal (RFP) for the Three Corners project Nationwide and further. He explained that what they would be authorizing was Task 1 of Scope of Services, which was the National marketing offering for the RFP.

Mr. Jason Jeffries, Planning Director, said the key point in having Colliers International Florida do this work was that they were a local real estate firm that has connections with commercial developers.

Mr. Carroll said it was important to note that anyone could have answered the RFP. It was not limited to certain firms.

Mr. Jeffries said it was available on the City's website to anyone and it was advertised through the City's standard process. He said they did directly send a notification of this RFP to other real estate firms and Colliers International Florida was the only national commercial real estate firm that responded.

Mr. Ken Krasnow, Vice Chairman of Colliers International Florida LLC and resident of the Vero Beach, said they were excited be here and get started on the work. He said they are a global real estate firm with tremendous depth and relationships with some of the largest global developers all over the Country and all over the world. Their mission is to tell the story of why this was such a transformational opportunity and get firms excited about the opportunities and then have them respond to the RFP by December.

Mr. Turner asked Mr. Krasnow if he was okay with the suggested changes. Mr. Krasnow answered yes. He said that he would have it signed today as soon as the City gets it to them.

Mayor Cotugno said they were still on target to get the RFP out on August 15<sup>th</sup>.

Mr. Falls said they have worked very hard to get the RFP to this point and the release date is set for August 15<sup>th</sup>. He said they were scheduling with Colliers help to get the date for applicants to come and do a site visit. He said staff would now have help with the real estate and marketing side with Colliers and they also have a Project Manager, Mr. Peter Polk. He said they were doing things to get this rolling and were looking to Mr. Krasnow to bring them a real jewel.

Mr. Carroll asked Mr. Krasnow what his personal thoughts were on Big Blue (Power Plant).

Mr. Krasnow thought that they were going to see a variety of responses. Some would look to repurpose the building and there were also a number of people that they have spoken with that were looking at more of a blank canvas with riverfront access. He thought that they were going to see a combination of responses.

Mayor Cotugno opened public comments at 11:10 a.m.

Mrs. Barbara Ruddy asked if they could give any details on the firms who have expressed interest to date.

Mr. Falls said they don't have any official firms. He reported that he and Mr. Jeffries have met with a dozen or more firms. When they put out the Request for Information (RFI) they received three (3) timely responses and one (1) that was not timely. He noted that the RFI was to gauge what kind of interest there was.

Mr. Jeffries noted that the three (3) timely responses were posted on the City's website. He stated that one (1) of the firms was putting a team together and were showing interest.

Mayor Cotugno closed public comments at 11:12 a.m.

**Mr. Carroll made a motion to approve the contract with Collier with the amendments read into the record by Mr. Turner. Mrs. Zudans seconded the motion and it passed 4-0 with Mr. Carroll voting yes, Mrs. Zudans yes, Vice Mayor Moore yes, and Mayor Cotugno yes.**

## **10. CITY ATTORNEY MATTERS**

### **1) Proposed Sign Design for the Septic to Sewer Project**



Mr. Turner said that Mr. Keith Drewett was proposing a sign for the STEP System in the Atlantic Basin. He was bringing this for Council's approval because it contains the City Seal. There was a suggestion that they add to the signage something to the affect that this was a program for this particular area of the City.

Mr. Keith Drewett said this was a yard sign to support the marketing efforts to bring wide public awareness to the program (on file in the City Clerk's office). He reported that as of this morning they received five (5) bids for award of the first five (5) homes and the bid was awarded to Meeks Plumbing as the low bidder. He said some responses were coming from word of mouth and the signage would help. He preferred that they did not have the language. He said the sign would have a QR Code that would lead them to a webpage that was being hosted by the Economic Opportunities Council. He said this was a marketing effort and he would like to keep it clear. However, if the Council feels they want the language they would add it to the sign.

Mrs. Zudans said that she loved the idea, but was a little concerned because it was not a Citywide project and she felt it would be beneficial to have the verbiage on the sign in some way.

Mr. Drewett asked that they send him an email with the language they want on the sign and he would incorporate it.

Mr. Turner reported that they had a request for a Code Enforcement lien reduction several months ago from Mr. Durand on a piece of property that he was refurbishing that had a substantial amount of Code Enforcement liens. They entered into a mediation settlement agreement and resolved it for a certain amount. At that time they paid a little more than half of what they owed. They then went before the City Council to request a lien reduction, which was denied. He reported that he received the balance of \$20,900.85 so this has now been paid in full.

## **11. COUNCILMEMBER MATTERS**

### **A. Mayor Cotugno's Matters**

Mayor Cotugno reported that the Memorial Service for Colonel Marty Zickert that was held on July 29<sup>th</sup> was very moving and heartfelt. The impact that Colonel Zickert made would always be remembered. He stated that the Aerial Circus was held last week and it was well attended and very successful. He reported that Coffee with the Mayor would be held this Friday. He reported that the new turf for the Vero Beach High School football field would be dedicated on August 17<sup>th</sup>.

### **B. Vice Mayor Moore's Matters**

Vice Mayor Moore reported that Downtown Friday that was supposed to be held on the south part of the Downtown was rained out, however the artists still did their paintings. There are five (5) new murals that are located in the alley behind the Fish Shack, Baci and

the Painted Frog. She said they are fantastic. It was her understanding that they would attempt to do the south Downtown Friday in August.

**C. Councilmember Zudans's Matters**

Nothing to report.

**D. Councilmember Carroll's Matters**

- 1) Discuss with the City Manager the Three Corners Project Implementation Status as compared to the February 16, 2023, Departmental Correspondence. Develop a specific plan with milestones to get the Three Corners and the Water Treatment Facility projects back on schedule (memo attached).**

Mr. Carroll said that he was still very concerned about the implementation of the Three Corners project. He said adding Collier was wonderful, but he wished they had done that sooner. He wished that they had done a lot of things sooner. He said that he would like to see where they were going and start holding their feet to the fire. He said the fact is that they have lost time this year and he would like to have a firm schedule that they know they have to meet. He thought it was imperative that they meet these deadlines. There were revised deadlines they talked about on February 16, 2023, and they all have slipped. The more they slip the more it hurts the citizens and taxpayers of the City because ultimately their tax base was going to benefit greatly from the rental income they receive from this project. He said right now it looks like the City Council approval for the developer would be March, 2024 and they originally had the date of February 6, 2024. They could see incremental slippage that adds up to months and possibly years. He said it has been five (5) years since they sold the electric utility. He felt that they should have taken down Big Blue, cleared out the site, and did the environmental testing so they could give the developer a definitive site that they could immediately start building on and they did not do that. Now they are faced with doing the RFP and they would get a great developer who was going to have to go through the entire process of modifying Big Blue or tearing it down and doing the environmental cleanup, which is time and they were not going to receive any payments.

Mrs. Zudans said based on having Collier and the RFP going out that she felt more frequent updates on actual dates would be helpful.

Mr. Falls said now that they have dedicated people working on the project they would be able to get Council some schedules and they would do their best to stay on track with them.

Mrs. Zudans pointed out that Council did prioritize certain things and every time they add additional things it does take away from some of their prioritized items.

Mayor Cotugno felt that the Planning Department has moved the project along. He said they did have a delay because of a set of circumstances that they were not expecting that had to do with the Project Manager selection. The rest of the project has been moving

along as close to the schedule as possible. He said there has been a delay and they all were disappointed about that. He said they are producing a tremendous amount of work for a Planning Department of four (4) people. He commended Mr. Falls and his staff and Mr. Jeffries for getting things done. He said that he would rather have a delay and get this right than not getting it right. He felt that they were moving this along well. He also agreed with Mr. Carroll that the impact this would have on the City's revenue, which helps all citizens in the long run, would be substantial.

Vice Mayor Moore said the Planning Department has done the best that they possibly could under the situation. She would not entertain any idea of tearing down Big lue before they know whether there were developers that have interest in it.

**2) Discuss holding a joint meeting in September 2023 between the Indian River County Board of Commissioners and the Vero Beach City Council. The purpose of the meeting would be to generally address important matters that affect the City and County residents (memo attached).**

Mr. Carroll said that he would like to have a joint meeting with the County Commission in September or October. He felt it would be great to have a better dialogue with the County Commission so they could address the septic to sewer process, utilization of lifeguards, the need for a new boat ramp on the mainland, workforce housing alternative sites, the need for the unhoused population, and the Building Department issues.

Mrs. Zudans said that she mentioned before having a State of the County. She felt that they should also include the other municipalities. She liked all the different topics, but felt they should include the other municipalities. She also felt that they should wait until after the new budget has been approved and they might want to consider it sometime after November when they have the new Council.

Mayor Cotugno said that he has had conversations with County Commission Chairman, Mr. Joe Earman, about holding a joint meeting. He said there were other items that have come up other than what Mr. Carroll mentioned. He felt it would behoove them to put an agenda together that could be addressed among all the municipalities. He felt that this was a good idea and was probably long overdue.

**E. Councilmember Neville's Matters**

**13. ADJOURNMENT**

Today's meeting adjourned at 11:34 a.m.

/sp