

INDEX TO MINUTES OF JOINT WORKSHOP OF
BOARD OF COUNTY COMMISSIONERS AND
CITY OF VERO BEACH CITY COULCIL

May 31, 2006

1.	CALL TO ORDER -----	1
2.	INVOCATION – COMMISSIONER WESLEY S. DAVIS -----	2
3.	PLEDGE OF ALLEGIANCE – VICE CHAIRMAN GARY C. WHEELER --	2
4.	INTRODUCTION OF INDIAN RIVER COUNTY BOARD OF COUNTY COMMISSIONERS AND STAFF BY CHAIRMAN ARTHUR NEUBERGER -----	2
5.	OPENING REMARKS AND INTRODUCTION OF CITY OF VERO BEACH CITY COUNCIL AND STAFF BY MAYOR THOMAS WHITE -----	2
6.	COUNTY CONTRIBUTORY SHARE FOR BEACHES -----	2
7.	L.A. DODGERS STATUS REPORT -----	13
8.	26 TH STREET EXPANSION PROJECT STATUS REPORT -----	13
9.	BIKE PATHS – 26 TH STREET EXPANSION PROJECT -----	15

10. QUESTIONS AND COMMENTS FROM BOARD AND COUNCIL	
MEMBERS-----	15
11. PUBLIC COMMENTS -----	16
12. ADJOURNMENT -----	16

May 31, 2006

**JOINT WORKSHOP OF THE BOARD OF COUNTY
COMMISSIONERS AND CITY OF VERO BEACH**

CITY COUNCIL

The Board of County Commissioners of Indian River County, Florida, and the City of Vero Beach City Council met in a Joint Workshop at the County Commission Chambers, 1840 25th Street, Vero Beach, Florida, on Wednesday, May 31, 2006, at 9:00 a.m. **Present for the County** were Chairman Arthur R. Neuberger, Vice Chairman Gary C. Wheeler, Commissioners Sandra L. Bowden and Wesley S. Davis. Commissioner Thomas S. Lowther was absent. Also present were County Administrator Joseph Baird, County Attorney William G. Collins II, Executive Aide to the Board Kimberly Massung, and Deputy Clerk Athena Adams.

Present for the City of Vero Beach were Mayor Thomas White, Vice Mayor Sabin C. Abell, Jr., Council Members Robert Solari, Kenneth Daige and Debra Fromang, City Manager James Gabbard, City Attorney Charles Vitunac, City Clerk Tammy K. Vock, Airport Director Eric Menger, Director of Recreation Rob Slezak and his assistant Patty Mattingly, Public Works & Engineering Director Monty Falls, Director of Planning & Zoning Tim McGarry, and Finance Director Stephen J. Maillet.

1. CALL TO ORDER

Indian River County Board Chairman, Arthur Neuberger called the meeting to order at 9:00 a.m.

2. INVOCATION – COMMISSIONER WESLEY S. DAVIS

County Commissioner Wesley Davis delivered the Invocation.

3. PLEDGE OF ALLEGIANCE – VICE CHAIRMAN GARY C. WHEELER

County Vice Chairman Gary Wheeler led the Pledge of Allegiance to the Flag.

4. INTRODUCTION OF INDIAN RIVER COUNTY BOARD OF COUNTY COMMISSIONERS AND STAFF BY CHAIRMAN ARTHUR NEUBERGER

Chairman Neuberger introduced members of the Board as well as County staff present.

5. OPENING REMARKS AND INTRODUCTION OF CITY OF VERO BEACH CITY COUNCIL AND STAFF BY MAYOR THOMAS WHITE

City of Vero Beach Mayor Thomas White thanked the Board for allowing them to meet. He introduced City Council members as well as City staff in attendance.

6. COUNTY CONTRIBUTORY SHARE FOR BEACHES

Council member **Debra Fromang** thanked the Board for allowing City of Vero Beach to share information with them about the financial impact that County residents are having on the City's beaches. "Our beautiful facilities are being increasingly stressed by the County's population growth", she said.

Ms. Fromang pointed out that counties such as St. Lucie, Sarasota and Palm Beach have contributed financially to their municipalities and asked the Board to consider the City's request for financial assistance based on County residents' usage of the City's beaches, so the City can

continue to provide safe and meticulous beaches. She presented a synopsis of an informal survey of the County's, City's, and tourist usage at the City's beaches. The survey showed 28% of park and beach users as tourists, 27% as City of Vero Beach residents and 45% as county residents. She also provided a "best-cost estimate" of maintaining and providing lifeguards for the City's beach parks.

Ms. Fromang stated that the City of Vero Beach does not receive tax dollars from the County for its city parks maintenance and operations and it was reasonable to assume that the projected growth within the County would continue to raise the ratio of County residents over City of Vero Beach residents. She informed the Board that the City had prepared a Resolution for the Board to consider should they decide to contribute to the City of Vero Beach Guard and Maintenance program.

In response to Chairman Neuberger, Ms. Fromang advised of the basis for figures she provided.

Administrator Baird advised that the City does its park maintenance and the County does its own. He thinks they are looking at the tax value of the City and looking at what percentage it is of the overall County's value and multiplying that by the Park's budget.

Chairman Neuberger asked the City what they were doing.

City's Recreation Director **Rob Slezak** explained that their Finance Department came up with a best-guessed estimate of 10.88% of the ad valorem for the overall parks cost for Indian River County. That is what City of Vero Beach taxpayers are paying the County to maintain and operate our parks.

Commissioner Wheeler did not understand how they came up with that number. He commented that the County has a Municipal Service Taxing Unit (MSTU) and a General Fund. The General Fund, for instance, would include the court services, the jail, and various things. He asked whether that money goes into our parks.

Administrator Baird responded that the General Fund was the whole taxable value of the County. He explained how the budget percentages were divided with regard to parks and recreation. He noted that the County also did a survey that asked more detailed questions. A total of 4,151 beach participants were surveyed in all five (5) beaches and the figures were very close to that of the City's. He disagreed that the City does not get any tax money from the County. There is a utility tax that is charged by the City to County residents on the City's electric utility and that goes to their General Fund.

Discussion ensued regarding a 6% utility tax, which benefits unincorporated areas; the County's utility tax that goes back into the MSTU; and, a 10% utility tax that the City also charges.

Steve Maillet, Finance Director for City of Vero Beach, provided more insight. The 10% utility tax, he said, is not really a utility tax. State law allows governmental utilities to charge their customers who are inside the political subdivision that owns the utility and outside the political subdivision that are part of the utility, an amount which rates are equal. City of Vero Beach (COVB) does have, for the County residents, a 10% surcharge, and that way the bills that the customers receive are equal. An over simplified example would be if the City resident is paying \$90 in electric fee and a \$10 City of Vero Beach utility tax that resident would pay \$100. On the County side, the resident would pay \$100 in electric and \$0 taxes to the City and come down to the same \$100.

Administrator Baird asked how much COVB collected from the unincorporated areas.

Mr. Maillet thinks their account is about 40% of the revenue. The electric company gets \$4.5M to \$5M, which goes into the electric system. That money goes in at the top under revenue, and then they have a transfer at the bottom.

Administrator Baird commented on whether it goes into the General Fund. He said, assuming that the County was 60% of COVB electric customer base, and out of \$5.9M, you take a contribution of 5.893; does that mean that unincorporated residents gave about \$3.5 Million of that into the General Fund?

Council member **Bob Solari** joined in that the County does not “give” COVB anything. It was customers from the utility that were paying them and it is very different from the government services that Mr. Baird was talking about. He felt they were going off topic, which is beaches and who uses them. He commented that the general survey showed 13% of City residents used the County’s beaches and about 45% of County residents used the City’s beaches. What is missing from there is the base and that information they did not have. They did not know if it was 100,000 people who use the City’s beaches or 10,000 who use the County’s beaches; and, given the level of service the City provides, and the location of the City’s beaches, his guess was they have many more people visiting the City’s beaches than are visiting the County’s beaches. He referenced the use of Wabasso beaches as opposed to south beaches.

Mr. Solari continued that they are talking about a use and the availability of those beaches for the use of all the citizens in the County. Based on the level of service, tourists are drawn to the City’s beaches and that produces more revenues. He thinks it is appropriate to say they have given this County a beach package that is beneficial to the County and COVB just needs some support to continue what they are doing.

Chairman Neuberger pointed out that Wabasso beach was hardly open for business now so they could not throw Wabasso into the mix. He also commented on what Administrator Baird was trying to say on utilities, which he believed was germane to the discussion on how the trades are working between the City and the County.

Further discussion ensued regarding money paid to the City for utilities.

Mayor White reminded them that City of Vero Beach pays County taxes. If they were going on value, they have a lot of homes paying high County taxes as well. Although they do not

pay MSTU they do pay into the system. He said it is the “49/4 rule” where they pay 49% of the taxes and get 4% of the service. He also felt the County gets a good tax benefit from the barrier islands and thinks they deserve to have nice beaches.

Commissioner Wheeler, to get a clearer understanding of electricity charges for City and County utility usage, presented a scenario on two lighthouses, one on City Street and one in the County.

Mr. Maillet responded that if the actual electric portion were, say, for a City resident came to \$200.00 then the County resident would be \$220.00. The City resident would be \$200.00 plus \$20.00 of the City utility tax for a bill of \$220.00 and the County resident would pay the \$220.00 in electric, a zero percent. **Mr. Maillet** agreed with Commissioner Wheeler that the bills would be identical for the same amount of kilowatt-hours used.

Commissioner Wheeler asked Administrator Baird to clarify whether the County funds its parks out of the General Fund or the MSTU.

Administrator Baird explained. The County funds its recreation, and \$1.318M of that is for lifeguards for its five (5) parks and that comes out of the MSTU. Some of the County’s park maintenance also comes out of the general fund. Mr. Baird commented that (1) the County never took a dime for North County Park from anything but County’s optional sales tax, which COVB got theirs and County got its share. None of it came from ad valorem taxes from City of Vero Beach. (2) That COVB was assuming that anyone who does not live in the City is a County resident and that was wrong, because they are tourists and from others cities as well.

Commissioner Wheeler had further questions. He asked, “on the jail, this comes out of the general fund because it’s used by everybody; the law enforcement side of the sheriff’s budget comes out of the MSTU because the City is providing their own protection. If all the cities have their own parks, why wouldn’t our funding for our maintenance of parks come out of the MSTU instead of our general funds?”

Administrator Baird responded that the County has probably 10 times the acreage of any of the cities that utilize its parks; and., all the cities' residents utilize County parks. In 2002 when the County decided to separate its recreation department from the City, they were looking at service and they budgeted for it. The County always funded its parks, not all of it, but a good portion of park maintenance from the General Funds.

Commissioner Wheeler posed another question. "If all cities provide for their parks why wouldn't we be taking our parks out of the MSTU and not taxing any of the cities out of the general funds for things that they provide? For instance, they provide their own police protection, so we don't charge them for that, theoretically we cut them a percentage; they don't provide their own jail so we charge them for that." He thought it would be logical, that for the things that the City provides, and where they duplicate, County should have them under the MSTU and not under the General Fund.

Administrator Baird responded that the County has about 2800 acreage in parks that it maintains and all the residents utilize them.

Commissioner Wheeler discussed how the County should fund this and what funds this could come out of based on level of service to be provided.

Administrator Baird did not have a problem with it if a true cost allocation was done where County bills all the cities for what it gives them and cities bill us for what they give us.

Chairman Neuberger interjected that it was not an across-the-board thing and all the cities were paying county taxes too. He thought the County might owe them something back on that and there was room for some compromise. He thought if they could get a feeling of what they could spend, and where to get it from, that they might be able to want to do something.

Commissioner Bowden could not support the City's request. She said, it would be very difficult "for us to fund money and tax county residents and then turn it over to another taxing

entity.” She suggested they do a correct survey of what is needed to know exactly what is going on. She was taking a slow look and although it was a good presentation did not find it to be factual. She felt they needed to take a more careful look at the level of service that is required.

Chairman Neuberger asked if Commissioner Bowden was suggesting the County do a professional survey.

Commissioner Wheeler agreed with Commissioner Bowden as far as analyzing what has been going on. He felt that what they were doing was “kind of cherry picking.” He stated that unless there were good strong fiscal reasons for subsidizing anything, let alone other governments, then he was not in favor of it. He believed Administrator Baird’s suggestion could work rather than starting to split hairs over a system that has been working well for a long time.

He continued that if they were going to look at who pays who, they needed to do an in-depth analysis of both County and COVB budgets, the services we will provide; where will the responsibilities for the cost of those services lie; then say this is what we are going to do and what we are going to charge. He would not want to tax 60,000 or 70,000 people in the unincorporated area to subsidize the City beaches for the 2,000 County residents that may be using it. From his perspective, they either look at all or nothing; leave it the way it is or look at everything and see who pays for what.

Vice Mayor Abell Sabin spoke about the anticipated growth of the area’s population and how greatly it would impact the City’s beaches and other services.

Mayor White reiterated Vice Mayor Sabin’s comments that the population growth in the County was surpassing expected goals. Everything COVB gets is affected by County residents. Because of that their budget for recreation has been up over \$2 million. The City is trying to maintain that quality of life and level of service and is not looking for the County to pick up the tab or maintain everything. The City is just looking for a little help.

Commissioner Wheeler predicted “it is only going to get worse when we put 150,000 people in here...”.

Chairman Neuberger understood what Mayor White was saying and thought the County Administrator and COVB City Manager could meet to see if there were some feasible numbers. If there is some way the County could make contributions, he would be in favor of that.

Commissioner Bowden thinks they need to have concrete good numbers and statistics before they even have a conversation. She was not in favor, at this point, of taxing one group and giving the money to another group. She was, however, in favor of quality parks on both sides. She commented that the City has built parks to a level that the County does not have and they are very expensive and costly. She urged both sides to go to the beach on a daily basis and see how many people were using it, pointing out that they were not overcrowded.

Ms. Fromang agreed that the beaches were not overcrowded but needed to be cleaner. She felt it would be appropriate to have County Administrator Baird and City Manager Gabbard look at this in a good faith effort and bring back a meaningful proposal that they all could consider.

City Manager James Gabbard quipped, “we do pay for traffic signal maintenance.” He has been in city government for over 20 years and has never seen the cooperation and genuine friendship that they (COVB) have with the County Commission and between Administrator Baird and him. Mr. Gabbard understood that their issues are different from the County’s and agreed that they are all facing unprecedented growth. He appreciated Commissioner Bowden’s comments about how things were in the City; and stated that they have never seen the growth nor experienced the things that are impacting every service that they are now providing. He felt that even if there is only one person at the beach they would still have to provide a level of service. He expressed that there was no question that COVB beaches are better than any other and they need the County’s help to maintain that level of service. Mr. Gabbard asked for guidance in his meeting with Administrator.

Chairman Neuberger asked if there was any opposition to advising the County Administrator to meet with the City Manager to bring back a proposal.

Commissioner Bowden, although not objecting, felt more groundwork needed to be done before she was willing to vote on this. She did not mind meeting with the City but she was not going to, at this point, “open pocketbook.”

Administrator Baird cautioned that they were “opening Pandora’s box” because it meant he would have to deal with all the cities.

Commissioner Davis commented regarding opening “Pandora’s box”, saying there were certain criteria to look at, like what COVB lifeguards were making compared to County lifeguards. That is a level of service that COVB has established. He does see some merit in their dialogue but wondered whether or not that was a short-term answer for a long time problem to just give some money to help maintain the beach. He also wondered what other municipalities would come next. He could not see the County funding a level of service that was established by someone else and did not want to give the impression that this is just a blank check.

Mayor White understood that, but they were not looking for the County to pick up the tab, they just want some assistance.

Discussion ensued on the growth of the county and whether the assistance would be forever.

Ken Daige in support affirmed that COVB needs the help. He got the understanding that the Board wanted to keep an open mind. There are a lot of people who use the park system and beaches that are out-of-towners and it is putting a strain on the beaches. There is a high level of maintenance for facilities daily to keep them safe and he would appreciate the County having an open mind on the matter. He again stressed that they do need the help and wanted to come back for discussion. He also thanked the Board for its efforts.

Commissioner Davis said the Board came very close to talking about the recreation side of it and how perhaps fragmenting that may not have been the best thing. He asked if there were any consideration, for the possibility of discussion, of the County taking over those parks.

Administrator Baird explained that when they looked at recreation they never looked at taking over the parks. They always looked at doing the programs because everyone has a different level of service in their parks. "Sometimes it's kind of taxation without representation when you consolidate", he added. "All they can do is come and ask you for things but never worry about paying for them. And that's why I keep saying, you decide on a level of service with your government body and you are willing to pay for it, and that's what you have to keep in mind. You decide on a level of service you want to provide and stay within those bounds."

Ms. Fromang said that was exactly what they were doing but they were inundated by the population growth within the County.

Chairman Neuberger thinks they understand her problem whether they want to address it or not. At this point they will have the two administrators get together and come back. Maybe they will get an agreement and maybe they will not

Scott Chisholm, County resident, not representing anyone although the Chairman of the County's Recreation Commission, hated to see study after study being done. "Common sense tells us where we are", he said. He wondered why the County does not acquire the beach lifeguard system. He felt the County was growing and he would hate to see more money wasted on another \$100,000 study to tell us who are using the beaches. It was his common sense opinion that the County should take over the operations of the beaches and parks and not any specific park. They needed to be put back under one umbrella, beaches and lifeguard stations, and run under the County's program.

Chairman Neuberger thought that might not be a bad idea and that our administration could discuss that too.

Discussion ensued on how many lifeguards the City has.

Commissioner Davis thought Mr. Chisholm “nailed it”. That was kind of what he was thinking, that instead of looking at one side throwing money in they could look at either some consolidation of some kind or more importantly probably a duplication of services. He suggested they find out where the duplication of services is, where there is not a drop in quality of services, and that would be something they should all be able to agree with and move forward.

Commissioner Wheeler saw that as a City option and not a County option. The city would have to request the County to do that and the County cannot take anything from the City.

Chairman Neuberger responded that were just discussing now and maybe they would come up with something.

Mr. Abell heard reference of five (5) beaches in the County, but thought there were some that are closed now.

Administrator Baird informed that there were lifeguards at Wabasso, Golden Sands, Treasure Shores, Round Island and the Tracking Station as well.

Mr. Abell still felt there were two closed beaches between Wabasso and Sebastian Inlet. Administrator Baird assured him that Wabasso still has a lifeguard on duty.

Discussion ensued on whether the gate was working and it was confirmed that the beach is not closed.

The Chairman called the discussion to an end with the intent to meet at another time.

7. L.A. DODGERS STATUS REPORT

Craig Callan, Dodger Town's Vice President of Spring Training & Minor League Facility, responded to questions regarding Dodger Town. He said there were three towns in Arizona that had contacted the Dodgers (Goodyear, Casa Grande, and Glendale). The Dodgers are currently listening and had not yet made a decision. He informed the Board that they would be notified, in advance, of any decisions, and he would continue to keep everyone abreast of all developments.

Mr. Callan responded to others questions advising that none of the three cities have an existing stadium and it would take a year or longer to build one. He said "location" was the one thing the other cities had over City of Vero Beach, as the Dodgers were the only team training on the east coast.

The Chairman thanked Mr. Callan for his update.

8. 26TH STREET EXPANSION PROJECT STATUS REPORT

Monty Falls, Director of Public Works, City of Vero Beach, provided a brief report on the 26th Street Project, which is a joint project between the City and County. He explained that they worked through that project through MPO and decided on some areas of responsibility: the City was tasked with doing the section from 43rd out to US-1, and the County from 6th Street to 43rd Avenue. They had a lot of help from Phil Matson from MPO. On Tuesday night at their Council meeting they will entertain a proposal from the No. 1 Consultant selected, Kimley-Horn & Associates, Inc., to get started with the actual design and move forward with that section of the roadway.

Commissioner Bowden's recollection was that the landscaping was to be mitigated from the Airport and she was looking forward to that.

County's Public Works Director, Jim Davis, reported that County staff has also been negotiating with a consultant for survey and design services west of 43rd Avenue to 66th Avenue and that was a little different from the City's project. There are two large developments: (1) Whitfield, west of 58th Avenue that has probably 60-70% of the frontage for that one mile. They have already secured right-of-way along Whitfield and a lot of the developers have done survey work. They are trying to take advantage of work that has already been done by not duplicating survey work to save money on design. (2) A large project in the City of Vero Beach "Heritage Reserve" that has half of the frontage on one mile between 43rd Avenue and 58th Avenue. They have been talking to the developer's representative and they have done a lot of survey work and do not want to duplicate their efforts. Because consultants' fees are growing rapidly due to the cost increases for construction, the County is trying to save money by not duplicating.

Chairman Neuberger queried if they had a date when this would start.

Director Davis responded that as far as construction was concerned, the County has some sensitive right-of-way acquisition. There were 7 or 8 homes that would be impacted severely and the right-of-way acquisition usually is the driving force in the critical path for the timing. They are probably 3 or 4 years out of the construction and west of 43rd Avenue is where they are impacting residential homes. There will be 4 lanes divided. There are some issues on whether to pipe the canal on the south side or acquire more right-of-way on the north side; or how to handle the stormwater, etcetera. They are looking at using the new development "Heritage Reserve" to treat the stormwater from the road, so they do not have to buy independent stormwater ponds.

Mr. Falls thanked Director Davis and staff, Terry Ralph, for their help when they were working with their negotiations. COVB got good information from County departments to help them put together some consultant proposal numbers that were consistent with what the County has been paying in cost per mile. Mr. Falls said they would have, if Council accepted the proposal on Tuesday night, the design and permitting phase (about an 18 month process) with

final drawings are expected to be completed in January of 2008. Then as soon as they could get construction bids received and contracts awarded, the project would start right after that.

Commissioner Davis' assumption was that they were not at the point where they could piggyback with the RFP for Kimley Horn.

Mr. Falls explained that they went through the process together and Kimley Horn was selected as the No. 1 Consultant for both the City and the County and like Director Davis had already said they were negotiating with portions of that design for the second phase now.

Bob Swift, SouthStar Development, thinks the opportunity exist in making 26th Street a model project of how to build roads in the County. At a joint City/County meeting last year SouthStar offered an opportunity to discuss a joint venture with SouthStar taking responsibility for some of the design and construction, to help expedite the construction of the road and design, and possibly save money in the process. SouthStar Development has a vested interest and is sensitive to the esthetics and impact the road has on existing neighborhoods. They have discussed design issues with County staff and there may be an opportunity to co-hold part of the canal as a cost trade-off versus a right-of way acquisition. He said he would be presenting a draft agreement to Assistant County Attorney DeBral soon.

The Chairman thanked Mr. Swift.

9. BIKE PATHS – 26TH STREET EXPANSION PROJECT

There was no discussion on this item.

10. QUESTIONS AND COMMENTS FROM BOARD AND COUNCIL MEMBERS

There were no questions or comments on this item.

11. PUBLIC COMMENTS

Renee Renzi, Waverly Place, a Civic Association member, sought clarification on a past comment. At the end of the “beach discussion” she heard a good suggestion from Mr. Chisholm but did not hear a motion on the contributory share for beaches, she said. She wanted to know how they left it and “where do we go from here?”

Chairman Neuberger said the two administrators would get together and see if they could craft some sort of an agreement. There was no motion; they just asked staff to get together.

County Attorney Collins reminded that it was a workshop rather than a formal meeting and they could not take official action other than to give direction.

12. ADJOURNMENT

There being no further business, the meeting adjourned at 10:16 a.m.

ATTEST:

Jeffrey K. Barton, Clerk

Arthur R. Neuberger, Chairman

Minutes Approved: _____
BCC/city of Vero Beach joint workshop mins/aa/06