

MINUTES
THE TOWN OF INDIAN RIVER SHORES
6001 North Highway A1A, Indian River Shores, FL 32963
REGULAR TOWN COUNCIL MEETING
Thursday, March 25, 2010
3:30 p.m.

PRESENT: E. William Kenyon, Mayor
William H. Ahrens, Vice Mayor
Frances F. Atchison, Councilmember
Michael B. Ochsner, Councilman
Gerard A. Weick, Councilman

STAFF PRESENT: Robert J. Bradshaw, Town Manager
Laura Aldrich, Town Clerk
Chester Clem, Town Attorney
Richard Jefferson, Building Official
Bill Schauman, Director, Public Safety
Capt. Robbie Stabe, Public Safety

OTHERS PRESENT: Bill Beardslee, PZV Chairman; Tom Cadden, Utility Liaison; 5 Residents; 4 other guests

1. **Call to Order**

- a. Pledge of Allegiance
- b. Invocation – Councilman Ochsner
- c. Roll Call

Mayor Kenyon called the meeting to order at 3:30, and these items were performed with the Roll Call as reflected above.

2. **Consent Agenda**

- a. Acceptance of February 8, 2010 Planning, Zoning and Variance Board Minutes
- b. Approval of February 25, 2010 Regular Town Council Meeting Minutes
- c. Approval of March 11, 2010 Special Call Town Council Workshop for CCNA Rankings
- d. Acceptance of FDLE COPS \$1,000 Grant for Bicycles
- e. Approval of Invoice dated February 28, 2010 from Town Attorney Chester Clem

A **motion to approve the consent agenda as presented** was made by Councilmember Atchison and seconded by Vice Mayor Ahrens. It **passed unanimously** with no discussion.

3. **Mayor's Items**

- a. Census Update (Linda Ogle, District U.S. Census Representative)

Ms. Linda Ogle addressed the Council and audience by stating that the Census forms have been mailed and the responses are coming in quickly. One question that Town Clerk Laura Aldrich had asked concerned the postal center box holders, who have not and would not be receiving forms at their mailing address. Ms. Ogle said she did not have that answer, but would find out and get back with Laura. The Census staff went through four map-spot visits with GPS updates for an address database, which is compared with the Property Appraiser and the Post Office address databases. Residents who did not receive a census questionnaire should wait until April 12th before calling the toll-free number to request one in the mail.

This is a Public Meeting. The Town of Indian River Shores does not transcribe verbatim minutes. Should any interested party seek to appeal any decision made by the Council with respect to any matter considered at such meeting or hearing, he will need a record of the proceedings, and that, for such purpose he or she may need to ensure that a record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. Anyone who needs any type of special accommodation for this meeting may contact the Town Clerk at 231-1771.

People with dual residences are to fill out their form with the address of where they live, eat and sleep most of the time. If it is evenly divided, with six months at both residences, the decisive factor would be where the person sleeps on April first. She then asked for any questions. Councilmember Atchison said this is very clear, as the article in Vero Beach 32963 raised a lot of questions when it simply said where you rest your head on April first.

Mayor Kenyon said that there is much information available, and the Census bureau is certainly promoting it well with a letter, the questionnaire, and a postcard. Ms. Ogle said that so far Indian River County has a 7% response rate county wide, and Councilman Weick said that by zip code, today our Town has a 3% rate. The only thing the Council could do is to encourage the residents to fill out their forms and maybe post the questionnaire assistance on website. The Council thanked Ms. Ogle for her visit, update and explanations.

b. Proclamation Recognizing 25th Anniversary of David Marad, John's Island Golf Director

This Proclamation is offered to identify and honor David Marad, the Mayor said, and the Town Clerk read the Proclamation in its entirety, which proclaims April 24, 2010 as David Marad Day. A **motion was made** by Vice Mayor Ahrens and seconded by Councilmember Atchison **to approve the Proclamation, which passed unanimously**. The Mayor signed it as Mr. Brian Kroh, General Manager of the John's Island Club, thanked the Mayor and Council for this Proclamation. It will be framed and hopefully presented to Mr. Marad as a surprise on April 24, 2010.

c. CCNA Update

Mr. Thomas Cadden, Chairman of the CCNA Committee, reported that the Town Council, the County Commission, and the Vero Beach City Council have all approved the list of vendor rankings. The Committee has contacted the number one vendor, GAI Consultants, and a meeting has been scheduled for April 15 to discuss scope, size, etc. Mr. Bradshaw asked if the fee would also be discussed at that meeting or at a later date, and Mr. Cadden said it would be after the scope is determined.

d. North Beach Sand Costs

(This item was delayed until after the Parks and Recreation report when Commissioner Peter O'Bryan arrived)

Mayor Kenyon welcomed County Commission Chairman Peter O'Bryan, asking if he had seen the report in the paper that the cost has gone up by a few million dollars. Commissioner O'Bryan replied that he had not, having just returned from Tallahassee. He said he would be pleased to update the Council on the sand issue.

He explained that the usual procedure for beach renourishment is for the County to apply and receive a permit from Army Corps of Engineers and the Department of Environmental Protection. Change orders are more unusual with the permit in hand.

Last May, Sector 3 projects went out for bid without the permit in hand to allow the upland sand sources an opportunity to bid, which if they were the successful bidder, would need time to stockpile the sand ahead of the project. The Board of County Commissioners voted 4-0 (Comm. Davis abstained because his brother has a sand mine) to award the Sector 3 project to Ranger Construction for upland sand. To ensure that the same quality of sand for the beach was maintained, a requirement was included that samples would be taken every 5,000 cubic yards (CY) from the mine and every 1,000 linear feet at the beach. Mayor Kenyon asked if Ranger did not know this when they submitted their bid, and he replied "yes."

When the permit was received, the agencies had almost doubled the amount of sand sampling requirements to every 3,000 CY mined and every 500 feet on the beach. This requirement was received after the bid was awarded to Ranger. This accounted for half of the cost of the Change Order 1, or \$439,000 more. The other aspect was when Coastal Tech's range of sand grain size listed in the bid specifications. Ranger submitted a smaller mean grain

size still within the range as specified, and when Coastal put this sand size in their model template, it created an adjustment in the amount of sand needed for the beach. When the Commissioners looked at the template, they informed Coastal Tech and Ranger that it was an unacceptable profile and did not think it provided enough protection. Ranger was instructed to come back with a larger grain size to hit the full template, which they did. This was the second part of Change Order 1, another \$460,000, which took the project cost from \$7.3 to \$8.2 million.

Change Order 2 came about when the pre-construction survey was done 30 days prior to commencement, which Commissioner O'Bryan said revealed significant erosion. The initial survey for Phase 1, done about two years ago, showed the project would take 202,000 CY, and the second survey requirements 317,000 CY. Mayor Kenyon asked if we get any help from the state, and the Commission Chairman replied that it was submitted, but last year's budget cycle had 25 or 26 renourishment projects, of which the State only funded three that already had federal funding attached. It will be resubmitted this year. The County is getting \$4.6 million towards this project from Sebastian Inlet Taxing District.

The original contract quoted a sand quantity of +/- 33% at a unit price of \$15.60 per CY. This rate was used to accommodate part of the additional requirement up to 33%, or 66,903 CY, for \$1,047,701. The other 47,649 CY outside the contract Ranger agreed to provide also at \$15.60 CY. To get that additional 48,000 CY sand ready before April 30, Ranger added an additional 17 days to process. This lump sum of \$304,748 covers the mobilization/demobilization of the third dredge, an extra 17 days of work, and other surveying and sampling costs added to Change Order 2.

Commission Chairman O'Bryan summarized that the total price for the contract with Change Order 1 and Change Order 2 is \$10,319,233. The original bid was \$7.3 million. The original offshore cost of \$9 million did not include the 115,000 CY added for erosion.

Mayor Kenyon asked what kind of assurance anyone has that the sand won't be lost again in the next two years? Commissioner O'Bryan said that Coastal Tech designs for an 8-year life expectancy. The larger, heavier grains of sand will stay put longer. The Commissioner added that the original quote of \$7.3 million included all 472,000 CY for both Phase I and Phase 2, so if we don't go above the 317,000 CY, there shouldn't be any additional costs over the \$10.3 million.

Councilman Weick discussed fuel costs, the number of mines used and how much sand was coming from each. Funding for this is coming from the tourist tax and 1-cent sales tax, plus the Sebastian Inlet funds.

Vice Mayor Ahrens wondered if it wouldn't have been better to use offshore sand. The Commissioner said that the offshore bid was \$9.3 million and didn't include the additional 115,000 CY, so it would probably come close to the \$10.3 million. He added that the money is circulating in the economy better by using 30 - 40 truckers in Indian River, Brevard and St. Lucie County who are thankful to have jobs. The 15 - 20 men who work in the mines and Ranger's 20-30 men all are also grateful to have jobs. Commissioner O'Bryan said that he went to an offshore sand project in Brevard County to compare it to our sand, and observed that our sand is by far superior to what is being put on the Brevard County beach. He believes they made the right choice. Since this is a very large, first-of-a-kind project in the State of Florida, the permitting agencies are being very cautious.

Councilmember Atchison said that she has heard wonderful, very positive comments on the project. The residents who live in the north part of Town where sand is being placed are delighted, and the trucks seem to be complying.

Councilman Ochsner said it is good news is that the sand quality is probably better than what we would have gotten offshore, and that it may be longer-lasting than what we would have gotten.

Mr. Bradshaw thanked the Commission Chairman for coming in spite of his really tight schedule.

Commissioner O'Bryan also informed them that while he was in Tallahassee this week, the Florida Association of Counties, in cooperation with the Florida League of Cities, presented a televised joint press conference highlighting the Local Savings Act. This highlights about twelve areas that have been identified as unfunded mandates from the State that are passed down to local jurisdictions. The message to them is that these unfunded mandates take local dollars away that would have been used for other services. Whether or not the message will have an impact is unknown.

4. **Planning, Zoning and Variance (PZV) Board**

Chairman Bill Beardslee reported that the PZV Board met and approved a fence for the resident at 4 West Sea Colony Drive.

5. **Town Attorney**

Mr. Clem had nothing to report.

6. **Town Manager**

a. Health Insurance for Employees and Retirees Recommendation

Mr. Bradshaw said the Town has used health insurance services from the Florida League of Cities (FLC) for the last several years, and their costs have increased about 40%. The Council had asked staff to investigate alternative health care providers to see if there were any cost savings available. A Memorandum in the packet prepared by Town Treasurer Judith Lewis recommends Blue Cross/Blue Shield (BC/BS), administered by Brown and Brown, which is only a 12-month contract and offers about 15% savings. Mayor Kenyon asked if the staff and union are satisfied with this. Mr. Bradshaw said that all have been in agreement, and since there was no significant changes to the benefit, the collective bargaining agreement was not reopened for negotiation but was "informally" ratified. Mr. Bradshaw added that Danielle McClintock from Brown and Brown and Judith Lewis are both in the audience for any questions from the Council.

Councilman Ochsner said that he had attended a meeting and had seen a comparison of the BC/BS and the Cigna Plan offered by FLC, which was almost a 35% savings. Ed Ballas, Chief Schauman, and other employees were there, and everyone at that meeting seemed ready to approve that plan. Since the quote and information from Brown and Brown was received while he was out of town, he had not seen the comparisons. The Finance Committee, which he chairs, had discussed this in February, and he thought it would have been courteous to have the Finance Committee made aware of the recommendation prior to it coming before the Council. Mr. Bradshaw noted this was originally discussed during the budget meetings last year.

Mrs. Lewis said that they were tasked to investigate the options, and the retiree issue – offering health insurance to retirees at the same cost as employees – has been the main impediment that has always forced the Town to stay with FLC. For the first time, BC/BS has opened up for retiree coverage. In the initial meeting with FLC, the Cigna Care 2 plan was the only plan presented. There are many differences in that plan, and you can't give up that much in cost without a corresponding relinquish of benefits. These major plan changes made it desirable to consider BC/BS, which offered more coverage. The staff met with FLC again after receiving the BC/BS quote, prompting the FLC to come back with another more comparable Cigna 4 plan, which was at a higher cost and still did not match up as closely with what we have. The Cigna 4 Plan would have saved about \$10,000 more per year over BC/BS, but the case scenarios showed BC/BS to be the closest.

Councilman Ochsner noted that this is a difference about \$100,000 per year, and Mrs. Lewis said that they are still saving almost 16% over the current plan. She added that the plans

were analyzed in great detail with the two providers before the employees were brought in to review and determine what was acceptable. The consensus by the employees was almost unanimous.

The Mayor said it doesn't make sense to negotiate a contract that the union may not approve; we have to have something that very closely matches what we have.

Councilman Weick asked if the union officially ratified this and Mrs. Lewis said they had taken an informal vote. The union contract was not opened, so they were not required to sign off on anything. Mr. Bradshaw said that the Union President for the Town sat in on all of the meetings. He added that the Council entrusts the staff to perform due diligence, which was done in good faith. He then asked for a **motion to adopt Blue Cross/Blue Shield as the Town employee's insurance provider through Brown and Brown Agency, effective May 1, 2010**, which was made by Councilman Weick and seconded by Vice Mayor Ahrens. The **motion passed unanimously**. Councilmember Atchison asked the contract effectivity, and Mr. Bradshaw said 1 May 2010 through April 30, 2011, with the Town realizing savings of about \$40,000 this fiscal year.

7. Call to Council

Committee Reports

Parks and Recreation. Councilman Ochsner said the committee did meet last month but did not have a quorum, so they are now scheduled to meet on April first.

Cleaning Town Beaches. Councilman Ochsner said the Council had tasked him to further investigate cleaning the Town beaches. He found that the County does not do any cleanup other than what is required of the lifeguard at the Tracking Station Beach. The City of Vero Beach cleans their beaches from the Tracking Station to South Beach four or five times per week during off (non-turtle) season with a mechanical rake that cleans up everything including the seaweed. During turtle nesting season, they hire a subcontractor to pick up trash other than seaweed using an ATV. They pay \$44,000 per year to have the beach cleaned. He said that there may not be a need or desire to clean the beach, but as a member of the volunteer beach patrol, he sees the people walking on them and the sea weed gets a little heavy. The Mayor asked if he finds that other areas, for instance John's Island, also need to be cleaned. Councilman Ochsner said they clean right in front of the Beach Club periodically. Any large debris is immediately removed. The Mayor agreed that \$44,000 per year for cleaning several days a week did not seem like very much. The Mayor asked if he could get a proposal for the Town on this, which Councilman Ochsner agreed to do.

(At this point, Commissioner O'Bryan had arrived and spoke at 4 p.m. See 3. d. above)

Beach and Shores. Included in Commissioner O'Bryan's discussion in item 3.d.

Treasure Coast Regional League of Cities (TCRLC). Councilmember Atchison said that she received the agenda, but did not attend the meeting. She noted a request by the area mayors to once again support calling this the Research Coast instead of the Treasure Coast.

Metropolitan Planning Organization (MPO). Councilmember Atchison said that the MPO Needs Assessment for the 2035 Transportation Long Range Plan is still underway. Due to the complaints from the whole MPO board, Kimley Horn removed 13 projects from consideration.

Sustainability. This has changed into many different programs, and they are no longer meeting as a committee Councilmember Atchison reported.

Affordable Housing. Vice Mayor Ahrens said that they did not meet.

Code Enforcement. The Vice Mayor also reported a call from Mrs. Pat Holm, which he discussed with the Town Manager, and believes most of the problems she mentioned were resolved. Mr. Bradshaw said that he had spoken with Mrs. Holm extensively on Sunday.

Pat Holm, 4680 Pebble Bay Circle, said she has lived in Indian River Shores since 1983. There have been a lot of changes in the Town, with her neighbors, and in their Homeowner's

Association. She read a letter from Pebble Bay Estates HOA President George Katilus. Mrs. Holm continued that new owners don't know the ordinances, and the residents who are more aware have to report those who violate the rules and laws. One of their concerns is the importance of having the Code Enforcement Officer drive through the neighborhood and becoming more proactive. She also asked that the Town address the Miami gutter curbing which has areas that are cracking and sinking. She added that she heard a lot about John's Island today, and would also appreciate support from the Town.

The Mayor said that homeowner associations have by-laws which should be enforced by the members. Mrs. Holm said that new residents who don't know the history and ordinances should be educated, agreeing that the HOA probably has that responsibility.

Councilman Ochsner asked for an example of a Code Enforcement issue that should have been addressed, and she mentioned the chickens that were being kept in a backyard of one of the residents, and a trailer that has been parked for two weeks without a license plate. Mr. Clem asked if there were covenants, and Mr. Holm said that they have all expired. Councilman Weick said that they could be added or changed at any time. Mr. Bradshaw encouraged her to call Code Enforcement, reminding her that anonymity is allowable.

Land Acquisition Advisory Committee (LAAC). Councilman Weick said they did not meet. Community Leaders Summit. Councilman Weick attended this Indian River Chamber sponsored Leadership Summit at the IRSC. Presentations by IRSC were very good, the County made a presentation on their tax abatement referendum that will be on the upcoming ballot, and a speaker discussed Amendment 4 on Hometown Democracy.

Economic Development Council. The Mayor reported that the Ocean Spray plant at the south end of the county is being converted to an ethanol-generating plant (bio-mass, New Planet Energy). He tried to find out how much water it would take to operate it, and the answer was unknown, which did not sound good to him when we do occasionally have water shortage problems. The effluence also was an unknown. He wondered if we have enough scrap to "cook" in order to produce 8 million gallons of ethanol. Permitting is still far off.

Treasure Coast Mayors. No meeting.

Elected Officials Oversight Committee. No meeting.

Treasure Coast Council of Local Governments (TCCLG). No report.

Mr. Clem said he was in Tallahassee for a reunion, and heard many unfavorable comments from former colleagues about Vero Beach being in the news a lot lately with the electric issue. Councilman Ochsner said he looked at the rates for electricity for the City, as reported by Florida Municipal Electric Association (FMEA), and February showed rates for 1,000 kW hours a month dropped from second highest to the bottom 10%. At the 2500 kW rate it is still way up, so smaller users are getting a break, while the higher users are being hit hard.

8. **Call to Audience**

Mayor Kenyon asked Chief Schauman about police activity, and it was briefly discussed.

9. **Adjournment**

There being no further comments, the Mayor adjourned the meeting at 4:43 p.m.

Respectfully submitted,

/s

Laura Aldrich, CMC, Town Clerk

(Approved by the Town Council at the April 22, 2010 Meeting)