



MINUTES
Town of Indian River Shores
Regular Town Council Meeting
Thursday, February 25, 2021, 9:00 a.m.

6001 N. STATE ROAD A1A, INDIAN RIVER SHORES, FL 32963

1. Call to Order

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

Mayor Foley called the meeting to order at 9:00 a.m. The Invocation was given by Vice Mayor Carroll, followed by the Pledge of Allegiance. Before the roll was called, Mayor Foley announced that Deputy Town Manager Heather Christmas would be filling in for Town Manager Griffin at Mr. Griffin's request. The Town Clerk called the roll for the **elected officials**, with those being present as follows: Mayor Brian **Foley**, Vice Mayor Sam **Carroll**, Councilmember Christian **Hendricks**, Councilmember John **McCord**, and Councilwoman Mary Alice **Smith**. **STAFF** present were Town Manager Joe **Griffin**, Deputy Town Manager & Town Treasurer Heather **Christmas**, Town Clerk Laura **Aldrich**, Town Clerk Assistant Chelley **Pallo**, Human Resources Manager Darlene **Wiltzius**, Building Official Luis **Martinez**, and Public Safety Department's Director Rich **Rosell** and Deputy Director Mark **Shaw**. **RESIDENTS** present were Bob and Nancy **Auwaerter** (Ocean Colony), and Patty **Gundy** (Pebble Bay). **GUESTS** present were Denise & Stephen **Boehning** (CoastalWide - CRS/Floodplain Coordinator), Mike **Korpar** (John's Island POA, Inc.), Joe **Baird** and Joanne **Stanley** (Republic Services) and Rebecca **Grohall** (MBV Engineering).

2. Agenda Reordering, Deletions, or Emergency Additions

The Mayor received a **motion** from Vice Mayor Carroll, seconded by Councilmember Hendricks to **approve the agenda as presented**, which **passed 5-0**.

3. Presentations/Proclamations

- a. Community Rating System (CRS) & Town Resiliency (CRS/Floodplain Coordinator) (9:02)

Mayor Foley introduced Denise Boehning of CoastalWide, LLC. Mrs. Boehning explained that CoastalWide is the CRS (Community Rating System) Coordinator and Floodplain Reviewer for the Town of Indian River Shores. Mrs. Boehning said she is a nationally certified Floodplain Manager, an associate in the National Flood Insurance Program (NFIP) and she has been working in the industry for about 12 years. She said that as the CRS Coordinator and Floodplain Reviewer, she has had the pleasure of working with each of the Town's departments to build, in cooperation with them, a more resilient community by developing a solid floodplain program, improving policies and further expanding the Town's flood planning and preparedness program to become a more storm-ready community. This morning's presentation is a summary of the Town's efforts towards the preservation and improvement of the quality of life by administering and advancing policies and procedures, which strengthen the Town's position and ranking the Town as among the most flood-resilient communities within the State of Florida.

These efforts are predominantly associated with the Town's participation in the Community Rating System (CRS). The first requirement for participating in the CRS program is participation in the NFIP, which the Town has done by adopting and enforcing a floodplain management ordinance to regulate the development in flood-hazard areas. Participating in the CRS program involves more than simply regulating construction of new buildings to the minimum standards. By meeting certain higher standards, the Town reduces and avoids flood damage to insurable property, strengthens support of the insurance aspect of the NFIP and fosters a comprehensive floodplain management.

She expounded on the three (3) main reasons why a community chooses to participate in the CRS program: 1) We are creating a more resilient community and investing in its long-term

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 or she 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.

well-being, which can lessen the impact of disasters and lessen the time needed to bounce back to pre-disaster conditions; 2) By meeting higher standards, the Town will have a greater eligibility for pre- and post-disaster grant funding such as hazard-mitigation program grants or preparedness grants; and 3) By meeting CRS requirements, the Town's residents receive a discount on their flood insurance premium, which are dependent upon the CRS class rating of the community.

Mrs. Boehning explained the Town's Community Rating System classification rating, stating the Town has participated in the CRS program for many years. With the higher standards the Town has implemented and enforced, a Class Rating of 6 was earned on a scale of 1-10, with 10 being the worst and 1 the best. Points are accumulated by such activities as storm-drainage programs, outreach projects, permitting processes and reviews.

With a Class Rating of 6, the Town has 2,000 points and has earned a 20% discount on all NFIP premiums for structures located in a special flood-hazard area. To illustrate the savings, residents collectively saved about \$333,000 in 2019. Since our last verification cycle many changes have been made to the CRS manual, and those changes have resulted in higher standards. For example, in the past, the Town had set forth by ordinance the standard that all new construction must be built at base flood elevation +1 foot, and we received a lot of CRS credit points for that. This is no longer a higher standard but is *required* per the Florida Building Code.

As the CRS continues to change, CoastalWide will continue to work with the Town's various departments to propose new ideas, implement new programs to promote the health and safety of the public, and reduce economic losses in the event of flood damage. Mrs. Boehning added her own personal goal is to have the Town be a model of proactive floodplain management. Before the annual re-certification in May, she may propose new ordinances to the Council that will be in line with the floodplain management regulations in the Florida Building Code to satisfy the NFIP requirements, and potentially include some higher standards to strengthen our CRS program. Mrs. Boehning thanked the Council for their time and invited any questions.

Councilmember Hendricks asked how our residents would know if they were receiving the CRS rate reduction, and Mrs. Boehning responded that it should be reflected on the insurance policy's Declarations Page with a line item saying, "CRS Discount, 20%."

Mayor Foley asked if there is a correlation between the Town's CRS Rating with the higher standards involved and the ability to receive grant funding. Mrs. Boehning confirmed that the Town's CRS classification, as well as which higher standards are being met, determine the grants for which the Town would qualify.

Councilwoman Smith asked Mrs. Boehning for an example of higher standards, and Mrs. Boehning said in addition to various other activities, some communities allow substantial improvements over a number of years instead of every year. Indian River County allows 10 years, and the City of Sebastian is either 3 or 5 years, so it depends.

Mayor Foley asked about roads, mentioning an article he had read that Miami-Dade County was enhancing their roads to achieve a standard they believed would accommodate the expected sea-level rise over the next 20 years. Mrs. Boehning said while the Town is not nearly as low-lying as some of the more southern parts of the State, it does make sense to look at what roads in Town do flood consistently and ways to improve them.

The Mayor opened the floor to audience questions. Mr. Bob Auwaerter of Ocean Colony asked the Town Council to direct CoastalWide to look at the benefits vs. costs of moving from our current rating of a 6 to a rating of 5, 4 or 3, as he does not believe the exercise has ever been done, and it seems to him that there is such a long way to go between 6 and 1. There were no further comments.

b. Certificate of Appreciation for Barbara Palumbo, Vice Chair, PZV Board (9:15)

Mayor Foley had a Certificate of Appreciation for Mrs. Barbara Palumbo in recognition of the 13 years she served on the Planning, Zoning & Variance Board, but she was not able to be present.

c. Recognition for Deputy Chief Shaw (9:16)

Mayor Foley said that Deputy Chief Shaw completed a rigorous course, continuing his excellence and dedication to law enforcement. He invited Deputy Chief Shaw to tell everyone what the course entailed.

Deputy Chief Shaw said he had the pleasure of going to the Administrative Officers (AO) Course, part of the Southern Police Institute (SPI) at the University of Louisville. He said it was an excellent program that honed-in on leadership skills. He also was finishing his master's degree, which ended up being delayed due to COVID and coincided with the course in Louisville. He actually finished both the course and his master's degree at the same time.

He continued that when you are young and first start the job, you have a desire to do good and get promoted. But desires are personal and only affect you. Chief Rosell had a vision when he came to the Town, and one of the first things he did when he came here was to counsel Deputy Chief Shaw of his expectations for him to finish his master's, attend the FBI Academy and complete the AO course at the SPI, all of which have now been done. Deputy Chief Shaw said he is one of the biggest benefactors of Chief Rosell's vision, and thanked him for his support and help. He also thanked the Town Council for their support.

Mayor Foley thanked Deputy Chief Shaw for his dedication to being the best he can be.

d. PS Officers & Firefighter Pension Plan Actuarial Valuation (Deputy Town Manager) (9:18)
(The Boehning's left.)

Mrs. Christmas said that on January 26th, the Board of Trustees approved the 2020 Actuarial Valuation. In summary, the investment rate is 6.75% and the actual interest earned for FY 2020 was 3.68% so the plan had a \$504,000 actuarial loss that will be recognized over the next 10 years. Despite that, the plan is still fully funded at the 6.75% rate, so the Town's required contribution decreased from 14.42% to 12.72%. The employee's contribution decreased from 6.55% to 5.78% because we estimated that the pension would be funded at \$250,000 this fiscal year, but the actuals for the year came in at about \$230,000. The decrease will be shown on the next budget adjustment.

Councilwoman Smith asked if the loss was worrisome. Mrs. Christmas answered that there will be ups and downs, but we should monitor it for the remainder of this fiscal year and the next. Further discussion may be needed if we see that trend continue. Councilwoman Smith asked if it would be discussed at a Town Council meeting, and Mrs. Christmas answered that since the Council does not have control of the pension investments, they would have to discuss it with the Pension Board. We can advise, but the Pension Board has their own investment advisors. Councilwoman Smith asked if they seemed worried about it, and Mrs. Christmas replied that there was no concern expressed at their meeting.

Mayor Foley asked if Mrs. Christmas did any analysis on what the result would have been had the contribution not been lowered. Mrs. Christmas stated the contribution amount would have stayed the same even if the investment rate were not changed, and offered to perform a calculation and verify that if Council would like. Mayor Foley thought it would be an interesting comparison.

Vice Mayor Carroll said when the Pension Board voted in July of 2019 to increase the assumed rate of return from 6.25% to 6.75%, the immediate result of that decision was to move the funded percentage from roughly 100% to 109%. The reason that the funded rate went up 9 percentage points is simply based on the change in the assumption of the rate of return. You assume a higher rate of return and automatically the amount of money you contribute to the plan goes down, for both the Town and the Public Safety Officers. He believes two or three years ago, the Public Safety Officers were contributing close to 9%, and when the assumption rate was changed to 6.75%, their contributions were reduced by 40%. The Town also pays less. A minimum of two of the people in this room voiced displeasure and concern over the decision to raise the rate from 6.25% to 6.75%, but those concerns fell on deaf ears.

Vice Mayor Carroll directed everyone's attention to page 47 of the study, where the long-term expected return on the pension plan is presented. The assumption of domestic equity is 7.5%, the assumption of fixed income is 2.5% and the assumption of real estate is 10%. If you do an analysis of those assumptions using the target allocations presented, what you find is the following: the expected long-term rate of return is 7.5%, 60% of the portfolio, the attribution would be about 4.5%. That is 67.5×46 . Fixed income at 30% with an assumed long-term rate of return of 2.5% is 75 basis points, .75%. The assumed rate of return on real estate is 4.5%, 10% of that is .45%. If you add those numbers, if his math is correct, you get 5.7%. It should be obvious that there is a disconnect between the assumed rate of return of 6.75% and the figures that he just pointed out. He asked Mrs. Christmas to check his math.

Councilmember Hendricks asked if the assessment date of October 1, 2020 had an impact from a stock market perspective, given that it was pretty volatile at that point. He said he is quite certain that the plan did well in the fourth quarter, and it was probably enough to provide for a positive rate of return for the calendar year. Mrs. Christmas said if Vice Mayor Carroll would like, she can reach out to Foster and Foster because he is right, it is 5.7%. Vice Mayor Carroll questioned if the attribution rate should be 5.3% based on Foster & Foster's numbers, as he does not believe they pulled them out of the air. In order to get to 6.75% net, equities would be providing in excess of 10% rate of return. In his opinion, there is a disconnect between the discount rate that the Pension Board approved and the assumptions that are listed on page 47 of the Foster & Foster report.

Councilwoman Smith said one frequently hears about pension plans being bailed out and while we are fully funded now, she just wants to make sure that everyone is aware that this trend may not be good. There is not always money available, so we cannot count on a bailout. We need to be proactive to ensure we are on the right track.

Vice Mayor Carroll said in the State of Florida, there may be one or two other pension plans that are 100% funded, much less 104% funded as we are right now. The average funding in Foster & Foster's universe is around the low 80%. The fact that we are over 100% is really good.

Councilmember Hendricks asked about the Pension Board's responsibilities, and Vice Mayor Carroll said they have singular control over every aspect of the pension. He asked about the increased contributions, which Mrs. Christmas explained that the new contract was implemented last year which had a significant increase in the step plans. They received retroactive recognition for the steps but not retroactive pay, as it took a year and a half to sign the new contract. Councilmember Hendricks was assured that it was indeed an anomaly.

e. Republic Services Discussion (John's Island Property Owners Association, Inc./Korpar) (9:33)

Mr. Michael Korpar, the General Manager of the John's Island Property Owners Association (JIPOA), said that he had hoped to avoid having to come before Council regarding this issue. He stated that JIPOA is having continual problems with Republic Services not fulfilling the terms of their contract, mainly regarding backdoor pickup service. About a year and a half ago, they started having issues with garbage being missed all the time because the workers were not going up into the yards and picking up the cans. In reaction to this, over time their residents started putting their garbage by the road to avoid being missed. Now their community has become a haven of garbage cans out by the road on garbage and recycling days. It looks terrible, and Bob Gibb from the real estate office has received comments from prospective buyers stating that they have never seen a community with that kind of look. Mr. Gibb feels like this looks bad and is a deterrent.

Mr. Korpar continued that he has had numerous conversations with Ashima Wild of Republic Services in which empty promises were given, all the way up to an email yesterday in which she said all the cans were put back. Mr. Korpar had asked her that Republic Services at least make an effort to put the cans back at least halfway up the driveway after emptying them if the cans were left at the street for pickup. Immediately upon receiving Mrs. Wild's email stating that all the cans were put back he sent the security team out, who during a 30-minute ride around found over 70 cans still by the road. At this point, John's Island is just very frustrated with this. Every resident that has backdoor service pays a fee for it; it is not free.

He added that their trucks are also leaking fluids, and the condominiums are now complaining about hydraulic fluid and oil spots left all over their brick-paver driveways. Republic Services has come out and cleaned them up and stated that the truck has been fixed. The next day the property manager comes out and asks the truck's driver whether it has been fixed and the driver says no, it still leaks.

Mr. Korpar said overall, they are looking for the Town Council to help them out with enforcing the contract with Republic Services. He has tried numerous remedies, including several from Mrs. Wild such as sending out a mass email instructing the residents to use the backdoor service. After sending that email, his phone rang off the hook for two hours with phone calls from residents stating if they do that their garbage will not be picked up.

He continued by stating in 2016, there were three gentlemen on the truck at any given time. When the new contract was signed in 2018, they went to two workers on the truck instead of three and that is when the problems started. There are always excuses and the John's Island community is very frustrated. He has been asked to look into how much it would cost for them to buy their own garbage truck and staff and do it themselves so they can control it 100%. He is hoping that the Town Council can do something to get Republic Services back in shape so that John's Island can get back to the pristine community that it is.

Vice Mayor Carroll asked what the contract calls for regarding where trash should be picked up from, and whether it also applies to recycling. Mr. Korpar said both are supposed to be set back on the property, by the garage or in the driveway. Vice Mayor Carroll asked if that is stated in the contract, and Mr. Korpar affirmed, adding that residential homes like his are supposed to be collected from the in-ground containers. For backdoor collection, the contract calls for them to go back up at least $\frac{3}{4}$ of the way into the driveway to collect the trash and then return the can to that place when emptied, including recycling.

Vice Mayor Carroll asked what the contract calls for in a residential area that is not gated, and Mr. Korpar said he does not know, John's Island has a specific addendum in the contract for their

backdoor collection. Vice Mayor Carroll asked if other gated communities have their own addendums, and Mr. Korpar stated he does not know.

Councilmember McCord said that Town Clerk Aldrich handed out a sheet regarding Republic Services complaints and asked her if most of the complaints were from John's Island. She confirmed that the majority of them were. He asked whether the other communities in Town have backdoor pickup. Town Clerk Assistant Chelley Pallo-Darnell said that each neighborhood had to decide whether to pay the additional fee for backdoor service; backdoor service is not a requirement. Councilmember McCord asked if Waste Management had the previous contract, and Mrs. Pallo-Darnell answered that Treasure Coast Refuse was bought out by Republic Services, but they have had the contract for around 30 years. He asked when the contract expires, and Mr. Korpar answered 2023.

Joanne Stanley, the Municipal Services Manager from Republic Services, introduced herself and said she left a voicemail for Mr. Korpar yesterday. She saw that Republic Services was on the agenda and wanted to come and address any issues. Mayor Foley said that he would let Mr. Korpar finish speaking first.

Vice Mayor Carroll said he and his wife live on 91 Cowry Lane and they have in-ground containers. They have been in their home since 2000, and only for one year did they try to leave their garbage in those cans. He does not believe that leaving garbage underground is the most effective way of dealing with it. So, for 19 years, every Tuesday and Friday morning he rolled his garbage can out and put it right next to the mailbox and either the Republic Services workers bring it back or he or his wife do so, and did not think it is a big deal to do this for garbage or recycling as a resident. Having Republic Services bring it back up may block the driveway. Vice Mayor Carroll said he is one John's Island resident who is totally satisfied with Republic Services.

Mr. Korpar said if Mr. Carroll looks at his bill, he will notice that he does get charged extra for in-ground collection, even though he is taking it out to the road. Mr. Korpar said the community had backdoor collection for a long time before he got here, but in the past couple of years it has just gone way downhill, and the residents are frustrated that they are paying an additional fee on their garbage bill every single month. It may ease their frustrations if the fees were waived, but right now they are paying for a service they are not receiving.

Mayor Foley asked if the primary complaint is that they are paying for a service they are not receiving, and Mr. Korpar confirmed. Mayor Foley said he looked at the metrics provided by Town Clerk Aldrich and asked her if the complaints have gone up or down. Mrs. Aldrich said down. Mayor Foley asked if there was any way to determine whether they are concentrated on one particular issue, such as the backdoor pickup as opposed to something else. Mrs. Pallo-Darnell stated that most of the complaints tracked on the spreadsheet are of actual misses because they are not allowed per the contract. There are some complaints on the spreadsheet of other things, such as leaving the bins at the road, but the majority are misses from John's Island and are therefore backdoor misses, as everyone in John's Island has backdoor service.

Mayor Foley agreed, if you are paying for a service you should get it. He asked if there were any other questions for Mr. Korpar. Councilmember Hendricks said he puts his garbage out on the street. He is not in John's Island, but he has no idea what the expectations are in his neighborhood, or whether he is paying for backdoor service or not.

Councilwoman Smith said if she leaves her garbage by her garage they will not come and get it, so she would constantly have to call. The complaints data was on 91 pages over 4 years, which is a lot. She said JIPOA tells them to leave their garbage by their garage, but Republic Services does not pick it up from there. She is unsure what Council can do to help.

Mayor Foley said Council can help by encouraging Republic Services to comply with the terms of the contract. Mayor Foley asked Mrs. Pallo-Darnell to compile an analysis of the nature of the complaints, which he believes will be helpful in determining the true issues.

He asked if anyone else wished to speak. **Pebble Bay resident** Patricia Gundy asked if anyone else had an issue with the fact of having to put the bins out so often. For her, it's four out of five days. Mrs. Gundy has noticed over the last couple of years that the timing has been off. Collection used to be at 7 AM every single time, but now sometimes they come at 7 AM, sometimes at 8 AM, and sometimes at 3 PM. So now, we are all living in these communities with beautiful homes and landscaping, and you drive down the street and see trash barrels all the time. She would love for Town Council to *reduce the number of collection days*. Her issue is the irregularity of the pickup and the fact that the bins are out so many days of the week.

Joanne Stanley with Republic Services said she will address JIPOA's issues with Mr. Korpar. She said that everyone in Town wants a different kind of service. So, working with the Town's consultants at the time, it was made so that each neighborhood could choose whether to have curbside, in-ground or backdoor service. John's Island has always had a combination of backdoor and in-ground. She went on to say that this is a very busy time of year for Republic Services. The timing of when the garbage/recycling/yard waste gets picked up during the day really depends on the volume that is put out on any particular day, which is the why the contract gives Republic Services the entire day for collection. She will meet with John's Island, and asked to be contracted directly if there are any issues going forward, as she is the Municipal Contracting liaison.

She wanted to give the Council an idea of the complaints, and in 2020, there were 260 complaints for 865 homes and their missed pickup rate was .001%. The issue is that some of the seasonal residents are used to putting their garbage at the curb at their other homes, and we are trying to work with them on that. She will be meeting with Mr. Korpar personally regarding this. She will address it with the drivers and meet with the supervisors to ensure that this is rectified going forward. They went through the whole RFP process back in 2018 and were awarded the contract due to pricing and the service that they have provided in the past.

Mayor Foley said he understood Mrs. Gundy's comments but thinks those are larger issues for another day. The real complaint at hand is that the backdoor service is not being handled appropriately, and is a contractual commitment that Republic Services made. Mayor Foley said that *in addition to meeting with JIPOA*, he would like to see an *Action Plan from Republic Services on how they plan to resolve their concerns*.

The other issue not specific to John's Island is consistency in pickup (time). He understands that the contract says they have the whole day, but people are Pavlovian. They get into a certain routine. They put out their garbage the night before, and then they see it sitting there until 5 pm the next day and wonder if it is going to be picked up. Mayor Foley said it would be great if Ms. Stanley had some thoughts on how to achieve greater consistency with that. The Mayor asked if the staffing was cut as Mr. Korpar stated, reducing three workers to two. Ms. Stanley said that it was deemed unsafe to have three men on a truck. She assured Mayor Foley that she would present an *Action Plan* and that she has already spoken to the area supervisor. She believes the Town was provided a list of backdoor vs. curbside communities shortly after the contract was signed. If someone is putting their stuff at the curb while paying for backdoor service, they can simply call the office and Republic Services will change their account to curbside collection, as everything is individually billed. Going curbside throughout the Town was discussed during contract negotiations, but John's Island did not want that, so they tried to be as accommodating as possible.

Councilmember Hendricks asked if he would be able to determine what type of service he is paying for by looking at his bill, and Ms. Stanley confirmed that he should see a base rate for curbside collection, and then an additional fee if he has backdoor or in-ground service.

Councilwoman Smith asked Ms. Stanley to look at her bill after the meeting to show her where the backdoor service is billed, and Ms. Stanley agreed. Ms. Stanley said she doesn't handle billing, but knows that Republic Services has a list showing who gets backdoor. They had to do it by the community's HOA choice for services based on the agreement at that time. Ms. Stanley thanked the Council for their time.

4. **Consent Agenda** (9:57)

- a. Approval of Regular Town Council Meeting Minutes dated January 28, 2021

With no discussion, Vice Mayor Carroll made a **motion to approve the consent agenda** as presented, which was seconded by Councilwoman Smith and **passed 5-0**.

5. **Town Attorney**

- a. Resolution 21-02, Amending FY 20-21 Budget (9:58)

Mrs. Christmas said this is the first budget adjustment for FY 20-21 and it includes items such as the CARES Act and related spending. Regarding the Town Hall Remodel, it was recorded in the prior year's budget, but it didn't actually occur until this year. This adjustment also covers the three months with an extra officer on shift that Chief Rosell discussed at the last meeting. There was one employee on long-term light duty and their shift had to be covered. That is the majority of the budget adjustments for this quarter.

Mr. Clem read the Resolution by title as follows:

A RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF INDIAN RIVER SHORES, FLORIDA FOR THE 1ST AMENDMENT TO THE BUDGET FOR FISCAL YEAR END 2021 AS PROVIDED; AND PROVIDING FOR AN EFFECTIVE DATE.

He continued reading the remainder of the resolution for the record. Vice Mayor Carroll made a **motion to approve Resolution 21-02** as presented, supported by Councilmember Hendricks, which **passed 5-0 by roll call vote.**

6. **Mayor or Council Items** (10:00) - None

7. **Discussion with Possible or Probable Action**

Mayor Foley said out of an abundance of caution and to avoid any appearance of impropriety, he is recusing himself from voting on the matter of the Pebble Bay Estates Drainage Project (Agenda Item 7b), as this is his neighborhood. He has completed the appropriate form to be turned in to the Town Clerk for the record.

a. Indian Lane & Seminole Lane Drainage Project (Deputy Town Manager)

Mrs. Christmas said that Indian and Seminole Lanes have been dealing with some flooding issues. This prompted Mr. Griffin to reach out to MBV Engineering to develop a remedial solution, as well as to obtain grant funding to help get the road completed and also possibly gain TMDL credits or CRS points. This project includes dredging, milling, paving and also some stormwater treatment trains.

The grant covers design, permitting and project management, but not milling or paving. The total cost of the project is \$334,000 and the grant is for \$235,000. The grant will cover construction of the treatment train and the dredging. Council will need to approve the grant contract, and then will also need to approve going forward with MBV to construct the design, after which the bid process can begin.

Rebecca Grohall of MBV Engineering said this project is geared toward addressing some of the flooding as well as some other problems. That southern-most canal basin is full of sedimentation, for example, to the point that it really clogs up the pipe that would drain the stormwater out of the neighborhood. This project is designed and is partially funded by a grant through the St. Johns River Water Management District (SJRWMD). It would add additional storm drains, curb and gutter, and milling to bring the pavement up a bit which should help with long-term flooding programs and the CRS program. There is also a component for aiding the reduction of nutrient-loading, which is DEPs big buzz word for the next five years, with reductions in the amount of sedimentation, nitrogen and phosphorous going into the Indian River Lagoon. Ms. Grohall offered to answer any questions Council may have.

Mayor Foley asked if the liability is \$45,000, and Mrs. Christmas said it is, plus \$60,000 for milling and repaving that is not covered by the grant. Councilmember John McCord made a **motion to approve the SJRWMD cost-share agreement**, which was seconded by Vice Mayor Carroll and **passed unanimously**. Councilmember John McCord then made a **motion to hire MBV Engineering for engineering services and project management**, which was seconded by Vice Mayor Carroll and **passed 5-0**.

b. Pebble Bay Estates Drainage Project (Deputy Town Manager)

Mayor Foley asked that Vice Mayor Carroll handle this item, given the Mayor's recusal. Mrs. Christmas said we are in the beginning stages of this two-phase project. Phase I will be the conceptual design and the grant application processes, which will take place this fiscal year. It is estimated that Phase II of the project will start in the next fiscal year, to be included in that budget.

The initial cost will be \$10,000 for the design and grant-writing. In the meantime, MBV Engineering has a temporary fix for the flooding issues which will cost less than \$5,000 and will be addressed separately, but she wanted to assure Council that they are looking into an interim fix to get through this summer's rainy season. She asked the Town Council to approve going forward with Phase I of the agreement with MBV Engineering in order to start the project, which will cost \$10,000. Councilmember Hendricks made a **motion to approve Phase I of the Pebble Bay Estates Drainage Project** which was seconded by Councilmember McCord and **passed 4-0**, with Mayor Foley abstaining from the vote.

c. Consolidation of Telecommunication Providers (Deputy Town Manager)

Mrs. Christmas said currently, there are multiple providers for our IP addresses, internet, phone and fax. We are working with our IT Provider to find the most cost-effective and secure way to consolidate these services by moving them into "the cloud." They determined that Comcast has the best contract option for the same price we are currently paying for the separate services, but

because it is consolidated, it must be brought before Council for approval. Mayor Foley said it seemed straightforward and asked if there were any questions. There being none, Councilmember McCord made **a motion to approve the agreement with Comcast** which was seconded by Vice Mayor Carroll and **passed unanimously**.

d. Town Manager Evaluation/Termination Without Cause (10:09)

Mayor Foley prefaced this discussion by saying that he and Mr. Griffin have worked very closely for the past several months, and he is sure the other Council members have worked closely with Mr. Griffin as well. He had hoped that Mr. Griffin would be getting better and would be able to resume his duties, but unfortunately that has not been the case. He left it to Mr. Griffin to explain as little or as much as he would like concerning his health, and added that Mr. Griffin has spoken to each Council member individually to keep them apprised of the situation. The Mayor suggested that Council address this in *two phases*, the **first** of which will be Mr. Griffin's request for the termination of his contract without cause. Terminating without cause will provide for a three-month severance period, and the recommendation that Mayor Foley is going to make is that it be fashioned as a "garden leave." Mr. Griffin would technically still be an employee, although relieved of his duties as of March 1. He would keep his salary, as provided for in the severance, and would also maintain his benefits for the three-month period. This is all subject to Council discussion, but Mr. Griffin has offered to assist in locating a new town manager. Mrs. Christmas has agreed to perform as Interim Town Manager, but it is not something she wishes to do for longer than six months. In that regard, Mr. Griffin has volunteered to locate some appropriate and well-qualified candidates for town manager, which will allow the Town to avoid engaging a headhunter for the time-being.

Mayor Foley continued that the **second** phase of the discussion on Mr. Griffin's request for a continuation of benefits. He does not know that Council will be able to come to a resolution on that today, but they cannot talk about it amongst themselves (outside of a meeting). Council all agreed with Mayor Foley's suggested approach to the discussion.

Mayor Foley asked Mr. Griffin if he understood that starting March 1, he would be kept on the payroll but would be relieved of his duties as Town Manager and would instead assist with the search for a new town manager. Mayor Foley recalled that he and Vice Mayor Carroll were fairly new to the Town Council the last time a headhunter was employed to search for a town manager, and he found working with the headhunter to be an absolutely awful experience. He did not feel that we were provided with any valuable information or resumes and at the end of the day, the Council ended up hiring Mr. Griffin, who was found through networking, not through the headhunter.

Mayor Foley asked if there was any discussion on the termination without cause provision. There being none, Mayor Foley asked for **a motion to terminate Mr. Griffin without cause for personal health reasons with the continuation of his employment for three months beginning March 1st**, which was made by Councilmember McCord, was seconded by Vice Mayor Carroll and **passed 5-0**.

Mayor Foley wished Mr. Griffin all the best, and added that it has been a pleasure working with him. He said he thinks Mr. Griffin needs to focus on getting himself healthy. We are certainly sad to see him go, and will help in any way we can.

A motion to appoint Mrs. Christmas as acting Town Manager was made by Vice Mayor Carroll, was seconded by Councilwoman Smith and **passed unanimously**.

Mayor Foley moved on to the second phase of the discussion regarding providing additional benefits for Mr. Griffin in the form of continued health coverage. The Mayor noted that first, Mr. Griffin's contract originally included six-months' severance, which Mr. Griffin voluntarily scaled back to three (3) months at the time. Mayor Foley said at Mr. Griffin's evaluation last year, the quality of Mr. Griffin's work and the things he had done led him to suggest that a bonus be given to Mr. Griffin, who talked him out of it. He said these things to underscore that Mr. Griffin is not the type of individual to just "take" from the Town. That being said, this is taxpayer money, and while Mayor Foley would like to do something that would be helpful in these unfortunate circumstances, they have to bear in mind that their responsibility is to the taxpayers. He opened the floor for discussion.

Councilmember McCord said he is in favor of giving Mr. Griffin the benefits, as a good employee who is honorable is the kind of employee you want. Also, if we do something that is not in good faith, he is concerned about the message that sends to our other employees. For that reason, he thinks it is a good compromise to set a good example for our employees about working hard and being honest. Mr. Griffin will also be helping to interview a new Town Manager, which cost \$75,000 last time, so we may save \$75,000 this time. For these reasons, he is personally very supportive of extending the benefits.

Vice Mayor Carroll asked Councilmember McCord to be more specific about what he is supporting, and Councilmember McCord answered that his understanding is that Mr. Griffin has asked to be included in the healthcare plan for a period of five (5) years under the same terms and conditions as while employed. Mayor Foley confirmed that this is Mr. Griffin's request. Because Mr. Griffin is going to be an employee for another three months he will continue on the benefits during that time, so Council has some time if they need to think about this, as it did come up pretty quickly.

Mayor Foley said this cost has been calculated, and asked if Mrs. Christmas had provided this information to each of his fellow Council members. She answered that she provided the information to Mr. Griffin, whom she believes provided it in turn to the Council members. Mrs. Christmas explained that the *explicit cost is \$14,000 a year*, and there is also *an implicit cost* due to Mr. Griffin's age that is *spread out amongst all the employees*. The Town's portion of the implicit cost is about \$27,000 per year, but the *premium is about \$50 higher per person on the plan*. So, the total cost is about \$40,000. But how it is reflected is it increases the OPEB liability, which would go from \$1.4 million to almost \$1.7 million, so there would be about a \$200,000 increase to that liability. Councilwoman Smith asked for clarification, and Mrs. Christmas said the cash that is specifically identified is \$14,000. The remaining amount is in the increased premiums and cannot be identified for a specific individual.

Councilmember Hendricks said he echoes Councilmember McCord's comments. He said Mr. Griffin has done a tremendous job and has saved the Town a tremendous amount of money by reducing his severance from six to three months and by not accepting a bonus last year. He believes Mr. Griffin is well deserving of this and is a good government employee who has given his life to government at the local level.

Councilwoman Smith said she agrees with Councilmembers Hendricks and McCord. His knowledge has been invaluable to her. He has done a great job with the projects she has seen, such as the renovations. She agrees that his willingness to stay on for three months so that we do not have to hire an outside source to search for a Town Manager is extremely valuable. She said his working severance will be almost equal to what the insurance will cost; that's at least three years right there. She agrees with the other two Council members who say it is the right way to go.

Mayor Foley said, to clarify, Mr. Griffin will be getting paid for the three months starting March 1. Councilwoman Smith said he will be getting paid, but we will be saving money by not hiring a headhunting firm. Councilmember Hendricks reiterated that he is only getting three instead of six months' severance and he turned down a bonus last year.

Vice Mayor Carroll said he has a slightly different point of view about the outcome, but before he gets to that, he would like to note that the Town Manager's evaluation for the first year of his employment was just extraordinarily positive. On a numerical basis, his overall rating was a 4.945 out of a maximum of 5. He also notes that the summary of the evaluator's comments, including his own, were just extraordinarily positive. He won't speak for others, but he will speak for himself in saying that in the evaluation he wrote for Mr. Griffin last year, he was laudatory in every regard as to his job performance, and noted also, from a personal standpoint, how much he enjoyed working with Mr. Griffin.

Where he has a problem with the Town Manager's proposal is the total amount of money involved. He asked Mrs. Christmas to double check his numbers, and said it is important for Council to recognize exactly what they are doing here. The explicit cost of the proposed agreement is about \$14,000. When Vice Mayor Carroll met with the Town Manager last Friday morning, Mr. Griffin gave him the sheet that all the Council members received, and his understanding from that conversation was that the explicit cost was the type of money they were talking about. With Mrs. Christmas' help, however, he has learned there is another cost, and that is the *implicit cost*. The implicit cost is an additional rounded \$33,000 a year for five years. The Town's portion of that is 82%, so the Town would be responsible for covering approximately \$27,000 per year. We would be asking the employees who are also enrolled in this plan to cover the other 18%, which is roughly \$5,900 per year. Based on the total amount of money involved, the implicit cost is roughly \$165,000, or \$33,000 per year for five years, and that does not include cost escalation. Healthcare costs are going up every year, so the cost is likely to be much larger than that. So, the total cost to the Town would be, let's say \$155,000 plus a 7% escalation of close to \$80,000, so we are talking about roughly \$230,000. Vice Mayor Carroll cannot come to terms with that number.

He offered a counterproposal that Council considers covering Mr. Griffin's explicit cost in a different manner. He believes this would require an amendment to Mr. Griffin's contract, but what he would offer for discussion is that for a period of five years, we offer Mr. Griffin \$15,000 per year to

assist him in covering his healthcare costs. That is a total of \$75,000. That way the Town would not be imposing an additional cost on its other employees, and it helps Vice Mayor Carroll feel more comfortable with the total amount involved.

Mayor Foley said part of the problem with the Sunshine Law is, in the real world, the five councilmembers could sit down with Mr. Griffin and have this conversation and not have to do this in public. While Mayor Foley said he prefers to do things immediately rather than putting off until tomorrow what can be done today, he does not think they should feel compelled to decide on this today. He suggested that they come back next month and explore if there is a smarter way of doing this that does not expose the taxpayers to paying so much money and that could conceivably benefit Mr. Griffin so much more. Mr. Griffin is of Medicare age and there may be a way of making a cash compensation, which he believes is what the Vice Mayor suggested, that would grant Mr. Griffin the flexibility to do things with other family members going forward for five years that doesn't have the inherent cost the other employees would have to cover. The concern he has is the kind of precedent this would set, as this would now be the second town manager for which we have continued health benefits. Of course, former Town Manager Stabe's was granted due to different circumstances: he was a 28-year employee. Mayor Foley wondered if, after all the things that have been said here, a consensus to do something that fairly compensates Mr. Griffin and takes care of some his healthcare costs going forward, but he is personally not convinced that they have thought of all the smarter, better ways that would benefit the Town as well as Mr. Griffin. He asked for comments from his fellow Council members about deferring this matter to the next meeting. Mr. Griffin will have health benefits for the next three months.

Councilmember McCord said he believes it is appropriate to delay this issue for a month in order to treat Mr. Griffin fairly and to not do something today that we may regret tomorrow. Mayor Foley said that is exactly where he is going with this. Mayor Foley did not realize that the numbers are so high. He thinks they have a consensus that they want to do something positive. Mr. Clem said this will have to come back for public discussion, although each Council member can have individual contact with Mr. Griffin. Councilwoman Smith expressed her frustration with the Sunshine Law on this, and Mr. Clem suggested a **motion to table until the next meeting would be in order**, so that each individual Council member can gather the information they need in order to come back at the next public meeting to consider making a motion at that time. Councilmember Hendricks agreed that is a very reasonable process; his question is who would develop a plan for meetings between each individual Council member, Mrs. Christmas and Mr. Griffin.

Mayor Foley said he has given this a great deal of thought and said we cannot even put one Council member in charge of coordination because that would be considered "undue delegation." It is a cumbersome process, and the only way to really do it is for everyone to individually meet with Mrs. Christmas and Mr. Griffin. Mr. Clem said he believes that Council can do essentially whatever they want so long as everything is done publicly.

Councilmember Hendricks clarified that Mrs. Christmas and Mr. Griffin can get together to discuss the options and then meet individually with each Council member. Mayor Foley added that he is not just looking for a gross number, but to see if there is another way to achieve the ultimate goal of making sure he and his wife are covered that doesn't have a \$230,000 price tag.

Councilmember Hendricks made a **motion to table the discussion regarding extending Mr. Griffin's healthcare benefits**. Vice Mayor Carroll said that in a discussion he had with Mrs. Christmas yesterday, she did present a couple of options. Vice Mayor Carroll asked if the motion would give each Council member the opportunity to meet with Mr. Griffin and/or Mrs. Christmas. Mayor Foley explained that the motion simply puts the question at hand on hold until the next meeting. Each individual Council member can participate as much or as little as they want in finding out what alternatives there are in achieving the ultimate goal of providing additional compensation to Mr. Griffin to cover healthcare benefits. Councilmember McCord **seconded the motion to table**, which **passed unanimously**.

Town Clerk Aldrich asked if Mrs. Christmas' appointment as Interim Town Manager was to be at her current salary. Mayor Foley said yes. Councilmember Hendricks said she will be doing twice the work and believes she should be compensated for the extra time and energy. He requested that this item be added to next month's agenda, which was agreeable to all.

8. Staff Updates (10:42)

a. Building Official Report & Statistics

Building Official Martinez thanked Mr. Griffin for bringing him to the Town. The numbers seem to be on the rise again as far as construction activity in the Town. He noted one correction to a number that was brought forward on the report for the month from 2020 to 2021 should be 53, not 73. Mr. Martinez has been exploring what is coming with the summer construction push, and he is getting a lot of positive numbers from the contractors in Town. He said he will be requesting an additional full-time building inspector and plan reviewer for the department, and will be working with Mrs. Christmas on that to get the help he needs before the summer push.

Councilmember McCord said he has been asked by a neighbor in John's Island whose **property abuts some Lost Tree Village property** on which there are mangroves that the owner wishes to develop. He asked whether there is going to be an integration between the Army Corps of Engineers (ACE) and the Florida Department of Environmental Protection (FDEP) as to who gives permission to develop mangroves. Mr. Martinez answered that his understanding is that the FDEP will be responsible for approval. Councilmember McCord asked if they are going to take over from the ACE for the permitting of mangroves, and Mr. Martinez said yes, that is his understanding. Councilmember McCord said the reason he mentioned this is because he has a report from Kimley-Horn Engineering, and the plan submitted. According to them, it is for two (2) units on less than three (3) acres. The plan for these three (3) lots, he believes, is three (3) houses on two (2) acres, but obviously not within the guidelines here. The FDEP will be asked to permit these properties for the mangroves to be developed, and he is concerned that they will not follow the guidelines. While the permitting is up to the Town, and they have already effectively been permitted by us, now we are at the point that State guidelines may require the Town to take a position with the State regarding the development of these mangroves. He said he would like to follow the guidelines of the State of Florida, and if Lost Tree is not following the guidelines, he thinks we need to take a position with the State registering our opposition.

Mr. Martinez said he would agree but he is unaware of any approvals that have been issued through the Town's Building Department as far as construction goes. Councilmember McCord said he simply wanted to make Council aware, he is not asking for a vote, but he thinks Council needs to think about what position they are going to take.

Mayor Foley said he would like to know more about the issue and suggested that the Councilmember McCord provide Mr. Clem & Mr. Martinez with what materials he has, and perhaps prepare a memorandum to Council regarding the issue.

Councilmember McCord said he is just bringing it up so that it can be discussed at some point in the future. Mr. Martinez said he has already been asked to put this on his radar.

Town Attorney Clem pointed out that the Town has been in litigation with the John's Island Development for well over 20 years, and there have been many dedications of property that cannot be developed and there are those that can be. Councilmember McCord said the mangrove permitting being taken away from the ACE is a major development that affects the Lagoon and everything here. Mayor Foley reiterated a request for a top-line summary of the issue and what to look out for.

Vice Mayor Carroll said he was looking at the **Town Hall Remodel Change Orders**, the first of which relates to changing a type of door, referring Mr. Martinez to page 144 of the agenda packet. Mr. Martinez explained that the door handle was changed. Mr. Griffin interjected that he signed the change order, and the reason why has to do with the electronic access with the doors and the previous one being incompatible.

Vice Mayor Carroll continued that he had a question regarding another change order on page 143 for the coffee bar adjacent to the drafting table. Mr. Martinez said the original plans included the coffee bar. The drafting table change was to provide continuity with the countertop within the whole space. Instead of just putting an old table there for drafting, they thought it would be nice if the customer service counter flowed into the back office with the same countertop. Mr. Griffin stated that he signed that also, and the rationale was that if Council approves an in-house Plans Reviewer, they are going to need a workstation. Councilwoman Smith said she walked through the project and Mr. Martinez showed her the area and they have nothing like that there. They have all these plans and nowhere to lay them out for review.

Mrs. Christmas said relating to the Town Hall Remodel, there will be another change order coming next month that Mr. Griffin signed for new flooring in the Finance Department. They were originally going to leave their carpet, but it is just too old. This upgrade was not in the original plans, so the change order was necessary. Mr. Martinez said that is part of Phase I, which we are trying to get through now.

b. Town Hall Renovations (10:56)

Mr. Martinez said the drywall stage is almost complete. They have passed all their rough inspections, cabinetry was selected, as well as the topping for all the cabinetry in the space. The flooring and paint selection is currently ongoing, and they are still hoping for a move-in date of April 1st for the Building Department.

c. Town Treasurer Report

Mrs. Christmas provided Council with the budget report for January 2021, which does not include the amendment that was just approved that should adjust all the items that are listed as variances. She said she is unsure where the State revenues are going, the projections are mostly higher, but is not comfortable about making a budget adjustment yet.

d. Public Safety Department Report (10:58)

Deputy Chief Shaw said their biggest issue has been the construction on A1A. They noticed that they have not been working much, but were told that within the next couple of months they will be here to finish it up. One citation was issued last week to someone who was driving 70 MPH in a 35 MPH zone. Another problem is those who are getting impatient waiting for the driver in front of them to turn, so they use the bike lane to pull around the vehicle. This is what caused the motorcyclist to get hit the other day in front of the Village Shops. The motorcyclist was already in the bike lane passing cars and then another vehicle went to pull into the bike lane to do the same and hit him. The motorcyclist was life-flighted to the hospital, but his understanding was that the injury was not life-threatening.

Deputy Chief Shaw said that Councilmember Hendricks pointed out an addition error on the sick leave report, but he believes the point was that last month's sick time could be attributed to two officers who had COVID, and one that was out on a work injury. He stated that they are slowly working towards having all their officers immunized.

Councilwoman Smith asked what can be done regarding the vehicles trying to pull around other vehicles by using the bike lane. Deputy Chief Shaw said they are stopping motorists to educate them that it is not legal to do that. Councilwoman Smith asked if we could put something there, and he answered that the problem is there are bicyclists who use those lanes. The barrels there have had instances of people moving them. He thinks aside from them being very proactive and having a presence on A1A and stopping cars and educating them, he doesn't know what else they can do. They have met multiple times with the contractor, who still does have workers here monitoring the traffic; but until the center turn lane is installed, it remains an issue they are just going to have to stay on top of.

Councilmember Hendricks asked Deputy Chief Shaw if he has any idea where the contractor is. He responded that it was his understanding that since the contractor was ahead of schedule in Town, they went to complete another project on which they were behind schedule. Deputy Chief Shaw said this is FDOT and he doesn't know that the Town has a whole lot of say in it. Councilmember Hendricks asked if he knows when they are going to come back, and Deputy Chief Shaw responded he doesn't know, and asked if Mr. Griffin had received an update. Mr. Griffin stated the last update he received from FDOT said in March.

Mayor Foley said that people are using the coned-off areas like a lane and then they find they cannot get back out into the street. Deputy Chief Shaw said they are stopping many vehicles; on his way home yesterday, he could have stopped five cars instead of just a couple of them. He said educating by using their message board and email to let the residents know is next. Mayor Foley said he is amazed that something more serious hasn't happened.

e. Town Clerk Updates/Reports

Town Clerk Aldrich stated that in addition to her written report, she also contacted John's Island Real Estate regarding their use of "Vero Beach" as their address and in all their promotions. She is trying to get them to use "Indian River Shores," and has a meeting on 3/9 with Bob Gibb and Mandy from JI Real Estate. She spends a lot of time with new residents coming in and educating them where they live, which is not in Vero Beach.

Mayor Foley thanked Mrs. Aldrich and Mrs. Christmas for going that extra mile and giving that extra effort given Mr. Griffin's illness. He is sure his fellow Council members feel the same way. He said if they were finding anything particularly overwhelming during this time to please reach out to him or his fellow Council members.

f. Project Updates (Town Manager)

Mayor Foley said we have already covered this, and Mr. Griffin asked if he might speak. He said when he came to the Town, he was deeply grateful that he was hired, and he is even more grateful

now at his departure. He will do his best to find an adequate substitution for Town Manager. He said he has come to love this place and he thinks there is an excellent team in place now. We have accomplished some good things, and it has been a team effort. He is deeply grateful to those employees who have helped him. He is deeply grateful to the last Council he worked with, as well as this Council. He thanks them for every consideration they have given him, and he will not forget it.

Mayor Foley thanked Mr. Griffin and said what he accomplished in a short amount of time has been terrific. He said we all wish Mr. Griffin a speedy recovery, and that we will keep him in our thoughts and prayers.

9. **Council/Committee Reports or Non-Action Items** (11:04)

(MPO, EDC, TCCLG, TCRPC, IRC PSC Citizen's Oversight Committee, CoVB Utilities Commission)

a. Committee & Informational Updates or Comments

COVB Utilities Committee Meeting – Councilmember McCord asked if he could speak first, and Mayor Foley acquiesced. Councilmember McCord recognized Bob Auwaerter for being so helpful with his new position on the Utility Commission. He said at the last Utilities Commission Meeting, Mrs. Orcutt talked about converting septic tanks to sewers. They are working towards having them all converted, and discussed a \$1.5 million State grant, a new State requirement for water quality coming soon, and funding of the treatment facility.

Councilmember McCord said in discussions with a representative of John's Island Property Owner's Association (JIPOA), they indicated they were going to give \$6 million to the City of Vero Beach's Water Department to help connect the line over the Lagoon to JIPOA, and both parties had agreed to it. About two weeks ago, he received a phone call from the JIPOA representative stating that subsequent to the shade meeting the City of Vero Beach held regarding our lawsuit against them, JIPOA was notified that the City would not be willing to provide water to them under the oral agreement they made unless Indian River Shores was agreeable to dropping the lawsuit. He informed the representative on behalf of the Council that Indian River Shores would not be dropping the lawsuit. Earlier this week, he received a phone call from JIPOA stating that the City of Vero Beach had recanted on their previous position and was now again agreeable to continuing negotiations to build a pipeline across to JIPOA. Those negotiations are in process and JIPOA is now represented by competent counsel. He has cautioned them from his previous experience in dealing with the City of Vero Beach.

Councilmember McCord continued that at the Utilities Commission Meeting, he pointed out that the County has approximately 157,355 residents, of which 17,267 (approximately 11%) are residents of the City of Vero Beach, and they are looking at a project that will cost, in their estimate, \$50 million. The water as we know it today is going to change dramatically. He has seen it in California with a water futures contract similar to the electric contract, similar to what happened here in Texas recently where, basically, the whole thing blew up. He told them there would be a water shortage and then, conveniently, the day before, the City of Oldsmar got hacked. He pointed it out to them and said it was going to be significant, that it would drive up their costs and they have no idea what those costs are going to be, because the federal government is going to come in and start regulating water utilities, he thinks, whether they are small, large or in-between.

Those costs are going to be significant, and it is a lot easier to spread those costs out amongst 157,000 people than it is 17,000. He also pointed out the City's lack of financing. They originally said funding would come from the state and federal levels, but are now saying that the funding will need to come from third-party investors. He tried his best to communicate to them the dynamics of what is happening in the water business, and he does not know if it fell on deaf ears, but they seem determined to go through with this plan. He asked them to have a Plan B, in case they cannot get the funding and with all these new requirements coming in. With the dynamics of regulation on water utilities, their additional costs are going to be substantial. He has tried to get them to understand that this is an issue.

At the next Utilities Commission Meeting, he has added the following two items to the agenda: "Move to have the City Council actively pursue a combination of the City of Vero Beach Water Utility with the Indian River County Water Utility" and "Move to have the City of Vero Beach Utilities Director report to the Utilities Committee on FY 21-22 Capital Improvement Projects anticipated for the following three entities: the City of Vero Beach, the Town of Indian River Shores and South County Barrier Island Customers." He does not know if the Commission will recommend these two issues; he hopes they do. In closing, he mentioned to the Commission that the Oldsmar situation is

interesting because if that water had been contaminated, and someone died as a result of the hack, he doubts that the City of Oldsmar could claim sovereign immunity.

Mayor Foley thanked Councilmember McCord for his report, and said for those who do not know, you can access the Utilities Commission meetings online. He said that Councilmember McCord does not need the Council's support, he is the representative, and Mayor Foley does not believe that anyone here would object to Councilmember McCord's common-sense proposition that the City of Vero Beach take a look at a consolidation or other alternatives. There was also a statement that Indian River Shores was hampering the ability to get a permit for work on a STEP system, which is untrue. Councilmember McCord may want to keep that in mind as a correction in case it comes up.

Councilmember McCord said one of the things happening is that the City of Vero Beach is running up against the date of 2025 to have certain State regulations met. For example, the JIPOA pipeline project is supposed to take, at best, a minimum of two years, assuming they get a contract written. Time is not on their side. Councilwoman Smith asked if the City of Vero Beach threatened to not move forward with the JIPOA pipeline project and cut off the water to Indian River Shores, and Councilmember McCord clarified they only threatened to not provide the water for JIPOA that they had previously agreed to, unless we dropped the lawsuit, but recanted and have now agreed to negotiate with JIPOA.

Affordable Housing Committee (AHAC) (11:18) – Vice Mayor Carroll said that he attended on Wednesday and it was an excellent meeting. A presentation covering privately owned land in Indian River County that could potentially be developed as affordable housing was presented, which has four or five different residential zoning labels currently. It was an extraordinarily well-researched presentation and very, very informative. At the next meeting, staff has promised that they will drill down on the most likely parcels of the 70-80 shown under different residential zoning labels, which could possibly be developed as affordable housing for individuals who fall below the median income level. It was his first meeting with AHAC, and it was very educational.

Treasure Coast Regional League of Cities (TCRLC) – Mayor Foley attended this meeting on the 17th via Zoom. In the interest of time, he will simply provide the minutes for those who are interested. The most substantive item was the appointment of someone to an open spot on the South Florida Water Management District.

Treasure Coast Regional Planning Council (TCRPC) met last Friday, and an autonomous vehicle with no driver was shown.

Beach and Shore Preservation Advisory Committee – Councilmember Hendricks attended the meeting and reported that the cost of putting sand on the beach has increased by 40% since last year, and because of the erosion they spent more money to put sand on the beach. He also attended the **Indian River Lagoon National Estuary Program (IRLNEP) Committee** meeting, where all the issues discussed related to water quality. The SJRWMD just got about \$1 million from the federal government to improve water quality over the next year or two.

Councilwoman Smith had nothing to report.

10. **Call to Audience**

None

11. **Adjournment** (11:23)

A motion to adjourn was made by Vice Mayor Carroll, which was seconded by Councilmember Smith, which passed unanimously.

Respectfully submitted,
/s

*Approved by the Town Council at the 25 March, 2021
Regular Town Council Meeting*

Laura Aldrich, Town Clerk