

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
JULY 29, 2003

A special meeting of the City Council was held in the City Council Chamber, 900 East Strawbridge Avenue, and was called to order at 7:30 p.m. by Mayor John A. Buckley.

1. Pledge of Allegiance.
2. Roll Call.

Present:	John A. Buckley	Mayor
	Richard Contreras	Vice Mayor, District 1
	Ed Palmer	Council Member, District 2
	Pat Poole	Council Member, District 3
	Grace Walker	Council Member, District 4
	Cheryl Palmer	Council Member, District 5
	Loretta Isenberg-Hand	Council Member, District 6
	Jack M. Schluckebier, Ph.D.	City Manager
	Paul R. Gougelman, III	City Attorney
	Cathleen A. Wysor	City Clerk
	Amy W. Elliott	Assistant City Manager

3. COUNCIL ACTION RE: Review of the 2003-04 Proposed Budget

City Manager Jack Schluckebier expressed his appreciation to the Department Directors and noted that the document has been substantially reformatted from past budget documents. He reviewed the following material: budget calendar; millage rate history; example of "Notice of Proposed Property Taxes;" examples of typical homes values and taxes; millage rate comparison with other cities; proposed personnel improvement/modifications; proposed debt issuance summary; and list of major changes in expenditures.

The 2003-04 proposed budget, excluding the Airport, is \$113.4 million. The bulk of the increase over last year's budget is the result of Capital Improvement Projects.

Mayor Buckley asked Council Members if they had general comments regarding the budget.

Council Member Ed Palmer said that the budget is a great improvement over what we have had in the past; the document is easier to understand. And, a blessing is the elimination of the contra accounts. He noted that he believes the proposed revenue increases are necessary to maintain the level of service and fund capital improvements. The City has held the line for six years and we can no longer allow capital improvements to slide.

Regarding the annual resurfacing program, he stated that the City must consider paving alleys and dirt streets. The alleyways located behind businesses have to be constantly re-graded. Mr. Palmer said that the reduction of overtime in the Police Department is a needed change.

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
JULY 29, 2003

Continuing, Mr. Palmer expressed support for the proposed columbarium at the Melbourne Cemetery. With regard to reorganization, he said he hopes that we have not overloaded Bob Klaproth.

Mr. Schluckebier said he expects Mr. Klaproth to approach with a request for a second assistant, which he would support. The City Manager added that although it looks like 11 or 12 divisions will be under that department, some of the units report to each other. The result will be seven or eight divisions actually reporting to the Public Works/Utilities Director.

Mr. Palmer stated that he is pleased an additional planner has been added to address annexation and growth issues, along with assistance in rewriting the Zoning Code.

Mrs. Poole said she is very pleased with the budget, especially the size. She stated that she would like funding returned to “paving unpaved roads” that was put into “resurfacing.” She added that many of the people who live on unpaved roads have lived here and paid taxes for 30 – 40 years. She agreed that the resurfacing program is important, too.

Mrs. Poole referenced recent correspondence from the women’s tennis group regarding the clay courts at Fee Park. Following a brief discussion, Mr. Schluckebier said that the courts are budgeted this year and are under design. He added that he will verify whether the funding provided by the tennis group is collecting interest.

Mrs. Poole said she is not sure she understands the historic lighting plan and the amount of money proposed. Mr. Schluckebier said he would provide additional information, including a schematic. Mrs. Poole discussed the condition of the sidewalks in the Downtown Melbourne area and noted that they are slanted, cracked, etc. She recommended that sidewalk replacement be considered before historic lighting.

Mrs. Walker said conditional uses need to be addressed (during rewrite of the Zoning Code). Mr. Schluckebier confirmed that we have recommended funding for an outside consultant to assist a planner in rewriting the Code. He agreed that one of the biggest issues will be the conditional use process.

Mrs. Palmer said that she appreciates the scaled down version and format of the budget; it is easy to use. She added that she is delighted with changes the new Police Chief has proposed to reduce overtime. Regarding the Internal Auditor position, she said there is a need for checks and balances in government. She said she feels we need this position and that it should be under the direction of the City Manager or City Attorney.

Continuing, Mrs. Palmer said she is pleased that Fleet Management is assessing each vehicle to ensure that we are not selling it prematurely. She added that she is interested in hearing about grant funding that might be available for security enhancements at the water plant. With regard to the consultant services for expansion of the redevelopment districts, she said that she does not recall City Council directing this activity.

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
JULY 29, 2003

In response to the Mayor, Mrs. Palmer said she is aware that the Olde Eau Gallie Advisory Committee recommended expansion; however, her concern is that funding is included in the proposed budget.

Mrs. Palmer discussed the automated read meters and asked if sufficient investigation has gone into determining future maintenance costs, software upgrades, etc. Additionally, she asked that the City determine if savings would be realized by contracting the pool maintenance. She pointed out the recent problem experienced with the Fee Avenue pool and said an outside contractor would have been insured against damages.

The City Manager informed Council that the City filed a claim for the Fee Avenue pool with our insurance carrier. Staff believes that we will recover some money.

Mrs. Hand said she also believes the budget is easy to understand. She thanked staff for taking the time to meet one on one with Council Members. Mrs. Hand said she knows we should have a tax increase this year; however, we need to keep in mind that there will be a referendum for the one cent sales tax, a 5% increase for water and sewer and an increase in the stormwater utility fee. She said she is concerned that our senior citizens will feel a tight pinch.

Mrs. Hand expressed appreciation for the reduction in Police Department overtime. Regarding the Zoning Code, she noted she is pleased that it will be revised. She pointed out that she believes we are throwing good money away on the City Hall renovation. The building will still be old and there won't be enough room for parking.

Mr. Schluckebier said after reading the Council minutes from 1999 and 2001 on this issue, it was clear that Council agreed about the need for space but had difficulty focusing on where to put that space. Therefore, he proposed a \$3 million renovation on the list of items for the sales tax money and included \$300,000 in this budget for the design work.

Mayor Buckley thanked staff for putting together a good, tight budget. He agreed that this is a better layout than in the past. He expressed appreciation for the reduction in the Police Department overtime and a reduction in vehicles.

Council began its review of the proposed budget.

BUDGET SUMMARIES

Detailed listing of revenues and summary of expenditures by department.

No discussion.

ADMINISTRATION

Mayor and Council:

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
JULY 29, 2003

Mrs. Hand said that she believes each Council Member should be provided with a laptop computer so digital agenda packages can be utilized. Mr. Schluckebier said the approximate cost would be \$1,500 - \$2,000 per Council Member for a laptop. Mr. Contreras said it would be well worth the cost to reduce the amount of paper documents by going with a digital agenda package format.

Mrs. Poole said she is not interested in receiving a laptop. The Mayor noted that he will be able to use his own. Mr. Palmer asked that guidelines be prepared for use of the computers. The City Manager said that he will return with information if that is the consensus of Council.

City Attorney:

No comments.

City Manager:

Mrs. Hand asked if a Deputy Manager is proposed in this budget. Mr. Schluckebier said no. He added that, in the City Manager transmittal letter, he wanted to acknowledge that if the sales tax referendum is passed he would return and ask for an additional position. The sales tax would generate almost \$5 million more a year in projects and he would definitely need more help.

Public Information:

Mr. Contreras complimented staff for the information that is provided to the press and for the City's web site.

City Clerk:

No comments.

MANAGEMENT SERVICES

Management and Budget Services:

Mr. Palmer stated that there is a need for the Internal Auditor and that function should remain. Mr. Schluckebier clarified the statement under "program changes and improvements." He said there is no proposal to delete this position. The Internal Auditor position is fully funded at the present pay grade. Mr. Schluckebier explained that the Internal Auditor previously indicated that he intends to retire in January 2005. At that time, staff will examine whether this function should remain an internal position or be contracted out.

Mrs. Walker asked if we have information on what other municipalities are doing. Mr. Schluckebier said we have some information and he will share that with Council.

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
JULY 29, 2003

Mrs. Palmer asked for an explanation about the increase in automobile allowance from 2001-02 (\$400) to 2003-04 (\$2,400). Assistant City Manager Amy Elliott explained that the 2001-02 amount represents a partial year. Since her car allowance is \$200 per month, the full \$2,400 is represented under 2003-04.

Mrs. Palmer said that the training and education account shows quite an increase from 2001 (\$1,934) to 2003 (\$5,600). Mrs. Elliott said that part of that represents the restoration of the budget – all training and education was reduced last year by 33%. The remainder is so she can maintain certain certifications. Following a brief discussion, Mr. Schluckebier said that the budgeted amount is appropriate to maintain Ms. Elliott's professional credentials. He confirmed that the Director of Finance, Michele Ennis, receives the same consideration in order to maintain her credentials.

Personnel:

Mr. Contreras said he would like to discuss a new policy, which would result in the City hiring only non-smoking employees. This would apply to new hires only. This change would have a long-term positive effect on the City in terms of health care expenses. He asked the City Manager to investigate a policy.

Mayor Buckley said he believes that would infringe on civil rights. Mrs. Hand said that a lot of companies are starting to hire only non-smoking employees. Mrs. Palmer said she believes the City would have difficulty curtailing a legal activity. This would open the door to reviewing alcohol consumption or other health risk vices. Mr. Contreras noted that the City of North Miami has a similar policy.

A brief discussion followed. Mrs. Poole stated that she would like to know how many cities have this policy, and, how many cities in Brevard County have this policy. Mayor Buckley asked the City Manager to provide Council with some data.

Mr. Palmer briefly discussed salaries. The City Manager confirmed that the salary ranges published in the budget document are accurate today; however, they will change again on October 1.

Information Systems:

No comments.

FINANCIAL SERVICES

Financial Services, Purchasing, Utility Billing and Collections, Workers' Compensation and Risk Management:

No comments.

LEISURE SERVICES

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
JULY 29, 2003

Recreation, Pools Operations, Melbourne Auditorium, Crane Community Center, Eau Gallie Civic Center, Carver Community Center, Grant Street Community Center, Lipscomb Park Community Center, Parks Maintenance, Cemeteries and Golf Course Fund.

Mrs. Palmer asked staff to investigate the cost of privatizing the pool maintenance. Additionally, she asked whether the Auditorium is painted on a schedule or when it visibly needs to be painted.

Leisure Services Director Mary Ann Kise said that the Auditorium is painted when it visibly needs it, not on a regular basis. Also, she said that she will obtain information on contracting the pool maintenance.

Regarding Front Street Community Center, Mrs. Poole said several people have contacted her and requested that the fireplace be returned. Ms. Kise said the fireplace is still there; however, a wall covers it. Covering the fireplace allowed for more wall space, which was requested by renters. Following a brief discussion, Mayor Buckley asked staff to return with the cost for removing the wall and exposing the fireplace.

Mr. Palmer asked for an update on the Auditorium roof. Ms. Kise said that all the supplies have been delivered. The calendar has been cleared so that most of the work will be completed in August.

Regarding the Auditorium, Mr. Contreras said he realizes that the facility provides a needed community function; however, it is running a deficit each year. The deficit is increasing to a quarter of a million dollars per year. He asked if we are losing business to the Clemente Center at Florida Tech. Ms. Kise said no because the Clemente Center is mainly an athletic facility and is not available on an as needed basis. It is difficult to rent the Florida Tech facility for two consecutive days and the majority of trade shows requires two – three days.

Ms. Kise confirmed for Mr. Contreras that the Eau Gallie Civic Center does not bring in 100% of the revenues required to offset the operational costs. That facility is also heavily supplemented by the City. She added that even in the smaller cities, these types of facilities never bring in enough revenue to cover costs. It is viewed as a service.

Mr. Contreras said he does not have an issue with the service that the facility provides. His concern relates to how long the City can continue to absorb a quarter of a million dollars per year relative to our other expenses.

Mr. Palmer said that there is no budget established for construction of the columbarium. Ms. Kise said that the columbarium will be delivered already constructed. The City will have to provide the slab and landscaping.

Ms. Kise confirmed for Mr. Palmer that we are not raising golf rates this year; however, we may have to review them next year. She added that so far the play has been very good this year.

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
JULY 29, 2003

POLICE

Police Administration, Police Operations, Police Support Services, Aggressive Driving Grant and 2003 COPS UHP.

Mr. Schluckebier asked the Police Chief to update Council on the new work schedule.

Police Chief Don Carey explained that the current work schedule results in a lot of overtime and does not place police officers on the street when needed. A study group comprised of representatives from the union, members of every shift and command staff reviewed the possibilities. Chief Carey said that he has been successful in other agencies using a platoon system, which involves a 10-hour shift.

Continuing, the Chief stated that the new schedule will be implemented August 16. This will allow the officers time to work through personal schedules and coincide with the opening of schools. He elaborated on the schedule and the coverage and noted there will be three advantages to the platoon system: more officers on duty when needed, dramatic reduction in overtime and lower response time. Chief Carey commended Deputy Chief Jim Reynolds for his time and effort involved with the new schedule and added that he believes the officers are enthusiastic about the change.

Chief Carey responded to Council's questions regarding the new schedule.

Mrs. Palmer said she has heard from some people that overtime for officers is considered a pay supplement and without that, Melbourne would not be able to get good recruits. Chief Carey replied that overtime is not a guarantee or supplement. He added that his responsibility is to make sure that the operation is as efficient as possible in order to maximize the service for the tax dollars. Additionally, he explained that the Melbourne Police Department is known as a high quality agency; the level of training and expertise is considerable. This results in the City receiving top applicants.

The City Manager confirmed for Mr. Contreras that detailed shift information would be shared with Council Members on an individual basis if a member so desires.

Recessed: 9:16 p.m.
Reconvened: 9:25 p.m.

In the Police Operations budget, Mrs. Palmer's motion to remove the \$90,000 for wiretap equipment did not receive a second. Mayor Buckley asked the Chief to comment on why this is included in the budget. Deputy Chief Jim Reynolds confirmed that it is necessary because of the change in technology. The present equipment, purchased about four years ago, is obsolete. Mrs. Palmer asked how often this type of equipment is needed. Mr. Reynolds replied that we have approximately one wiretap every 18 months for a period of 60 days.

Following a brief discussion, Chief Carey stated that the new equipment will allow the Police Department to focus on neighborhood/City issues rather than working solely with the FBI

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
JULY 29, 2003

and DEA, which takes our people to other cities. He confirmed that a court order would still be required for a wiretap.

Mrs. Palmer asked if the Police Department anticipates a lot of use for \$90,000. Mr. Carey replied that he does not know; however, it will allow for more of a use than in the past. The important factor is that it will allow the Department to localize the use.

FIRE

Fire Administration, Fire Emergency Medical Services, Fire Operations and Code Compliance.

Mr. Contreras referenced the cost of equipping the eighth fire station. Staff will return with additional information.

ENGINEERING

Engineering, Traffic Signage and Signals and Stormwater Utility Fund.

No discussion.

PLANNING AND ECONOMIC DEVELOPMENT

Planning and Economic Development, Downtown Redevelopment, Babcock Street Redevelopment and Olde Eau Gallie Riverfront Redevelopment.

No discussion.

HOUSING AND COMMUNITY DEVELOPMENT

Housing and Community Development, Community Development Block Grant, HOME Funds and SHIP Funds.

Mr. Contreras asked the status of the Technological Research and Development Authority (business incubator in South Melbourne) finding a location. Housing and Community Development Administrator Melinda Thomas said that the TRDA is still pursuing the project and is currently considering using Airport property. The City does not want to enter into an agreement until they have site issues under control. Staff hopes to begin drafting an agreement in the next 90 days.

Mayor Buckley said the move to the Airport surprised him because the incubator was supposed to work with FIT and the community. Ms. Thomas replied that they would still have a relationship with FIT; FIT is still on board.

PUBLIC WORKS AND UTILITIES

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
JULY 29, 2003

Public Works and Utilities Administration, Water/Wastewater Operations, Water/Wastewater Customer Service, Water Production, Water Distribution, Environmental Outreach, Wastewater Collection, Wastewater Treatment, Streets and Stormwater Management, Local Option Gas Tax, Facilities Maintenance, Solid Waste Management and Fleet Management.

Mrs. Palmer referenced the automated read meters and asked where these devices are being used, how long they have been in service and the history.

Public Works/Utilities Director Robert Klapproth explained that the City started a pilot program three years ago in areas that are hard to read (behind fences, etc.). A number of different types were tried and staff has enough confidence in the program to begin. These meters have been used (in other areas) for at least 10 years.

Mrs. Palmer said she is concerned about the replacement cost, maintenance and software upgrades. Mr. Klapproth that the City is currently spending \$60,000 per year replacing meters. The program will pay for itself in the long run.

Mrs. Palmer asked if this will apply to all new construction. Mr. Klapproth replied that will be the first step. The impact fee per home will be \$125. The City believes it has selected the best meter, although it is not the most sophisticated.

AIRPORT

Mayor Buckley said that this budget will be discussed at Council's September meeting.

NON-DEPARTMENTAL

General Fund, Water and Sewer Fund and Golf Course Fund.

No discussion.

APPENDIX I

Proposed fee increases, computation of proposed ad valorem tax revenue, certification of taxable value provided by the County, summary of millage rates and tax collections, General Fund undesignated fund balance analysis, budget calendar, capital outlay schedule summary, equipment replacement criteria, classification plans by pay grade and major active grants.

No discussion.

APPENDIX II

Five-year Capital Improvement Program.

No discussion.

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
JULY 29, 2003

That concluded Council's review of the budget. Mr. Schluckebier referenced the "Q and A" (response to Council's questions) document distributed to each member prior to the meeting. Council discussed the following from the Q and A:

Unpaved roads in the City – Mayor Buckley referenced the difficulty in obtaining approval from St. Johns River Water Management District to pave alleys. The City Manager said St. Johns wants to capture runoff; therefore, it expects retention ponds. Mr. Palmer questioned if a super drainage area would take care of minor areas and alleys.

Following a brief discussion, Mayor Buckley asked the City Manager to investigate alternative methods of surfacing available and what St. Johns would allow.

Tires on police vehicles – Mr. Palmer asked what brand of factory provided tires is on police vehicles. Additionally, he asked if we are still using Gatto's. Ms. Elliott replied that we compare prices and look at different brands. We have purchased tires from Gatto's and from Glenn's. She informed Council that the Florida Sheriffs' Association is currently conducting testing on tires. Brevard County deputies are testing Cooper tires. The results are due in October and staff will be able to use that to determine the best tire value.

Audit of franchise fees – The City Manager reported that the City of Palm Bay is having a detailed conversation with FP&L regarding franchise fees; good results are expected in the next 60 days. Melbourne intends to take advantage of an improved franchise arrangement. And, the change will not result in a fee or rate increase to customers.

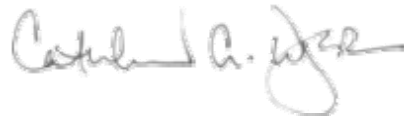
4. COUNCIL ACTION RE: Adoption of proposed millage rate

Moved by Contreras/Walker to establish 4.7856 as the proposed millage rate. Motion carried. Mrs. Palmer voted nay.

5. ADJOURNMENT

Moved by Contreras/Walker to adjourn. Motion carried unanimously.

The meeting adjourned at 10:10 p.m.



City Clerk – 8/5/2003

Approved by Council: August 12, 2003