

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
SEPTEMBER 5, 2006



A special meeting of the City Council was held in the City Council Chamber, 900 East Strawbridge Avenue, and was called to order at 6:30 p.m. by Mayor Harry C. Goode, Jr.

1. PLEDGE OF ALLEGIANCE.
2. ROLL CALL.

Present:	Harry C. Goode, Jr.	Mayor
	Loretta Isenberg-Hand	Vice Mayor, District 6
	Richard Contreras	Council Member, District 1
	Mark LaRusso	Council Member, District 2
	Kathy Meehan	Council Member, District 3
	Grace Walker	Council Member, District 4
	Cheryl Palmer	Council Member, District 5
	Jack M. Schluckebier, Ph.D.	City Manager
	Paul R. Gougelman, III	City Attorney
	Cathleen A. Wysor	City Clerk
	Amy W. Elliott	Deputy City Manager
	Howard Ralls	Deputy City Manager

3. PUBLIC HEARING: Proposed 2006-07 Budget

Mayor Goode reported that the City Council conducted a workshop meeting in July to review the preliminary budget. He asked staff to provide an overview at this meeting prior to opening the public hearing.

City Manager Jack Schluckebier referenced the handout available at the entrance to the Council Chamber, which covers the highlights of the proposed budget. He added that Department Directors are present and available to answer questions.

Deputy City Manager Amy Elliott provided a brief overview of the proposed 2006-2007 budget. She noted that this is the first public hearing on the 2006-2007 fiscal year budget. The City's fiscal year will begin on October 1 and end on September 30. At the July 24 workshop meeting, Council tentatively approved the \$150,634,262 budget.

This budget is the operating program for next fiscal year and includes all major funds and operations of the City. It includes all traditional municipal services, such as police, fire, streets, and recreation, in addition to the regional Water and Sewer System, Stormwater Utility, two golf courses, the Airport, and various internal service funds. The proposed budget is about \$26.1 million more than the current year budget – largely due to the increase in the Capital Improvement Fund.

The budget reflects a property tax rate of 4.5081 mills, which is expected to generate nearly \$20 million. The proposed millage rate is one-quarter mill less than the current millage rate; however, in accordance with TRIM legislation it must be reported as a 10% increase over the rolled back rate. Melbourne's proposed millage rate compares

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
SEPTEMBER 5, 2006

favorably to other full service cities in the County. The increased property tax revenue is proposed to fund increased capital improvements and increased personnel costs.

In December 2005 the City Council authorized a survey of Melbourne residents to learn their opinions of City services and concerns for the community. Citizens responded with concerns about traffic, streets, crime, growth, and water quality. Staff has proposed a number of initiatives in next year's budget to address these issues.

Significant capital improvement increases have been proposed in the areas of transportation, stormwater drainage, parks, public facilities, water distribution system, wastewater collection and treatment systems, and reclaimed water, such as:

- \$1,000,000 for street resurfacing and \$1.3 million for stormwater line repairs
- Intersection upgrades
- Expansion and upgrade to the Eau Gallie pier at Pineapple Park
- Replacement of deteriorated water lines and extension of water lines to improve water quality and flow
- Replacement of deteriorated sewer lines and renovation of two lift stations
- Expansion of reclaimed water production

In addition to the \$28 million budget for capital improvements, staff has proposed funding for additional positions to address citizen concerns. Three additional non-sworn personnel are being added so officers can be re-deployed to patrol functions. This is in addition to the five officers added during the current year to create a tenth patrol zone, and the additional officer and clerk to administer the sexual violator ordinance. A full year's funding has been provided to continue these positions this year.

With respect to growth, two additional building inspectors have been proposed to ensure compliance with City Codes and cope with high levels of construction activity; an additional Planner is proposed to assist with overall long range planning; and an Engineering Supervisor is proposed to expedite construction of capital projects. Other positions are proposed to cope with growth in operations.

Funding has also been proposed for salary adjustments to all employees consistent with union contracts, and for increased health insurance and pension costs to maintain a quality work force.

Several changes are recommended for approval at this meeting. These include adjustments to the budgets of the three Community Redevelopment Agencies to reflect the assessed valuation data provided by the Property Appraiser and the

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
SEPTEMBER 5, 2006

proposed City and County millage rates, a corresponding net increase to the General Fund transfers to the Community Redevelopment Agencies, and tentative approval of the Airport's \$13 million budget. These changes will bring the total proposed budget for the 2007 fiscal year to \$163,831,778.

In accordance with TRIM requirements the Council must first take action on the millage rate. This does not preclude Council from discussing the proposed budget, but the tentative millage rate must be adopted first. At this meeting, Council may take action to amend the budget or tentatively approve it as presented (with the amendments proposed). The tentatively approved budget and millage rate will be advertised prior to the second public hearing scheduled for September 19.

The recommendation is to approve a millage rate of 4.5081 mills and to tentatively approve the 2006-2007 proposed budget of \$163,831,778.

Mayor Goode opened the public hearing.

Dr. Doreatha J. Fields, Diamond Community School, Inc., asked Council to consider providing funding for the school's partnership with the Powell Subdivision. She explained that their two key projects are: 1) Send a team of 10 "block captains" from the community to attend the annual conference in Ft. Lauderdale. This team will obtain information on what other Florida communities are doing and return those initiatives to the City of Melbourne. 2) The annual Unity Day, which brings together community residents for the sake of children, youth and families in the community. Funding will be used to provide activities for children, educational supplies and materials to be used by their families.

Continuing, Dr. Fields said that they have worked cohesively with the Melbourne Police Department. She closed by saying they would like \$5,500 to fund these two projects. She asked Council to consider funding to help decrease crime and improve living conditions for children, youth and families of the Powell Subdivision.

The City Manager confirmed for the Mayor that this is the first opportunity non-profit organizations have had to speak. The workshop meeting in July was not open for public comment. (Note: Council gave preliminary approval on grants-in-aid to non profit organizations in July. Diamond Community School submitted a request at that time; however, they did not receive funding.)

That concluded comments from the public. Mayor Goode closed the public hearing.

Vice Mayor Hand asked if money could be found for this request. Mayor Goode said if Council grants money to this organization, funding must be taken away from another organization.

Mr. Schluckebier provided additional information for Council. He noted that the City has been involved with the Powell Subdivision. The Police Department sponsored

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
SEPTEMBER 5, 2006

trips for two people from that neighborhood to attend the annual conference that Dr. Fields referenced. That occurred at the City's expense. It was not a grant to the neighborhood, but rather discretionary funds available in the Police Department's budget were used.

The City Manager said that the Police Chief may want to comment on whether sponsoring 10 people from one neighborhood to attend a conference would have high value. Additionally, he explained that the funding request in July was made by an independent school; therefore, he is not certain it received staff scrutiny.

Police Chief Don Carey confirmed that last summer the Police Department sponsored the leader from the Powell Subdivision and a representative from the Police Community Relations Council to attend a crime prevention conference in Miami. In addition, the department sent two Community Police Officers. Training was used to develop strategies to reduce crime. Funding was found in the Police Department's budget. When Unity Day occurred about a month later, they found funding through the Weed and Seed grant to assist with that, as well as the National Night Out Against Crime.

Mr. Schluckebier concluded by saying he did not want to leave Council with the impression that there has been no prior involvement by the City.

Mrs. Hand asked if \$2,000 could be taken from Contingency. Mr. Schluckebier said that is entirely Council's decision.

Moved by Hand/Walker to take \$2,000 from Contingency to provide funding for the Diamond Community School, Inc. for the purposes proposed.

Mayor Goode said that Contingency has to last through next September. He recommended that Council not begin a feeding frenzy on Contingency at this meeting.

Council Member Cheryl Palmer commended the Diamond Community School for its work. She said that the difficulty is that every organization that applied for funding is doing a wonderful job. Council put a lot of thought and study into reviewing all the applications and the current list was developed. She stressed that there has to be a cutoff point with the funding. Mrs. Palmer added that some of our taxpayers don't like the grants-in-aid that are being given. Therefore, she can't support going further and increasing the amount of grants-in-aid. She pointed out that Powell Subdivision is already receiving a good amount of money from the City through the Melbourne Police Department.

The question was called. Motion carried. Mrs. Palmer voted nay.

Council Member Richard Contreras referenced the Recreation budget in the Leisure Services Department. Under "recommended capital improvements," line 3 describes \$250,000 to develop a scenic corridor and linear park along U. S. 1 (land acquisition

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
SEPTEMBER 5, 2006

and construction). He recommended that amount be reduced to \$200,000 and new line added for citywide beautification in the amount of \$50,000. Under the direction of Leisure Services, the Beautification and Environmental Advisory Committee would review projects and make recommendations.

Moved by Contreras/LaRusso to reduce funding for the scenic corridor and linear park from \$250,000 to \$200,000 and provide a new project for citywide beautification in the amount of \$50,000.

Mrs. Palmer asked what beautification specifically means. Mr. Contreras said it would involve the use of floral and/or native, non labor-intensive plantings. The committee and staff can put together a plan and return to Council for review.

Mrs. Palmer said that Council has agreed that the community would like a linear park along the river on U. S. 1. She said this will be an expensive proposition and \$250,000 is not a large line item for this project.

The question was called. Motion carried. Mrs. Palmer voted nay.

Council Member Mark LaRusso referenced the Fire Department budget. He asked for additional information on why an additional Battalion Chief is being added to “meet the needs of the eighth Fire Station.” He noted that we have three Battalion Chiefs at this time.

The City Manager said that is not what the new Battalion Chief is for. He noted that he previously instructed staff to revise that description. Mr. Schluckebier added that a Battalion Chief is generally not related to a specific Fire Station.

Paul Forsberg, Fire Chief, explained that logistically three people are needed per shift. They are seeking a grant to cover three Battalion Chiefs and one Training Officer. The one Battalion Chief position would cover the City’s portion of the matching funds. The Battalion Chief would provide administrative support and help with shifts when people are on vacation.

Mr. LaRusso asked if that could be accomplished through overtime. The Fire Chief replied that it would cost more to pay a firefighter overtime than to hire a Battalion Chief. The total cost, including benefits would probably be around \$80,000. Mr. LaRusso thanked staff for the information and said that he has a better understanding of the new position.

4. COUNCIL ACTION RE: Adoption of a Proposed Millage Rate for FY 2006-07.

From the agenda report: The proposed millage rate of 4.5081 is 10% above the rolled-back rate of 4.0983 mills, and is one quarter mill less than the current year rate of 4.7415 mills.

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
SEPTEMBER 5, 2006

Moved by Walker/Hand to approve the millage rate of 4.5081 for the 2006-2007 fiscal year. Motion carried unanimously.

5. COUNCIL ACTION RE: Adoption of a Tentative Budget for FY 2006-07.

From the agenda report: Staff recommends that Council act on the following revisions to the budget:

GENERAL FUND REVENUES				
<u>ACCOUNT NUMBER</u>	<u>DESCRIPTION</u>	<u>CHANGE</u>	<u>NEW ACCOUNT TOTAL</u>	<u>NEW DEPARTMENT TOTAL</u>
<u>Taxes: pg. 2</u>				
9013111-311000	Real & Personal Property Taxes	\$ (122,000)	\$19,807,170	
	TOTAL TAXES			39,477,576
	TOTAL GENERAL FUND	\$ (122,000)		\$ 65,867,357

GENERAL FUND EXPENDITURES				
<u>ACCOUNT NUMBER</u>	<u>DESCRIPTION</u>	<u>CHANGE</u>	<u>NEW ACCOUNT TOTAL</u>	<u>NEW DEPARTMENT TOTAL</u>
<u>Non-Departmental General Fund: pg. 197-198</u>				
90100513-549180	PMT - Babcock Redevelopment	\$ (17,978)	\$ 262,491	
90100513-549190	PMT - Downtown Redevelopment	(8,099)	364,518	
90100513-549200	PMT - Eau Gallie Redevelopment	77,573	146,759	
90100513-552200	Grant Program Expense	(103,073)	0	
90100513-582020	Florida Wildlife	3,000	3,000	
90100513-582022	Keep Brevard Beautiful	490	490	
90100513-582030	Brevard Neighborhood Dev. Coalition	6,000	6,000	
90100513-582050	Big Brothers Big Sisters	5,000	5,000	
90100513-582060	Boys and Girls Club	2,000	2,000	
90100513-582070	211 Brevard Inc.	5,000	5,000	
90100513-582090	American Cancer Society	500	500	
90100513-582100	AARP Payment	3,568	3,568	
90100513-582110	Seniors at Lunch	9,815	9,815	
90100513-582120	Junior League of South Brevard	2,000	2,000	
90100513-582150	Melbourne Community Orchestra	6,200	6,200	
90100513-582160	Melbourne Art Festival	10,000	10,000	
90100513-582170	Melbourne Municipal Band	10,000	10,000	
90100513-582180	Henegar Center Contribution	10,000	10,000	
90100513-582200	Brevard Art Museum	10,000	10,000	
90100513-582210	Honor America Contribution	10,000	10,000	
90100513-582240	WFIT Radio	2,000	2,000	

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
SEPTEMBER 5, 2006

90100513-582260 Melbourne PAL	5,000	5,000	
90100513-582270 The Master's Workshop	1,000	1,000	
90100513-582290 Rolling Readers Space Coast	500	500	
90100513-582300 Space Coast Early Intervention	1,000	1,000	
90100513-590310 Contingency	(51,496)	348,504	
90100581-591070 Inter to (368) Transportation Construction	(122,000)	2,046,851	
TOTAL NON-DEPARTMENTAL GENERAL FUND			7,579,241
TOTAL GENERAL FUND	\$ (122,000)		\$ 65,867,357

SPECIAL REVENUE FUNDS REVENUES

<u>ACCOUNT NUMBER</u>	<u>DESCRIPTION</u>	<u>CHANGE</u>	<u>NEW ACCOUNT TOTAL</u>	<u>NEW DEPARTMENT TOTAL</u>
<u>Downtown Redevelopment Fund pg. 9</u>				
5613381-338001	Tax Increment Revenue	\$ 11,940	\$ 676,292	
TOTAL DOWNTOWN REDEVELOPMENT FUND				741,292
<u>Babcock Street Redevelopment Fund pg. 11</u>				
5623381-338001	Tax Increment Revenue	(13,057)	487,000	
TOTAL BABCOCK STREET REDEVELOPMENT FUND				493,500
<u>Eau Gallie Redevelopment Fund pg. 13</u>				
5633381-338001	Tax Increment Revenue	148,929	272,283	
TOTAL EAU GALLIE REDEVELOPMENT FUND				274,883
TOTAL SPECIAL REVENUES FUNDS		\$ 147,812		\$ 3,648,730

SPECIAL REVENUE FUNDS EXPENDITURES

<u>ACCOUNT NUMBER</u>	<u>DESCRIPTION</u>	<u>CHANGE</u>	<u>NEW ACCOUNT TOTAL</u>	<u>NEW DEPARTMENT TOTAL</u>
<u>Downtown Redevelopment Fund pg. 145</u>				
56100552-590340	Reserve for Future Projects	\$ 11,940	\$ 367,632	
TOTAL DOWNTOWN REDEVELOPMENT FUND				741,292
<u>Babcock Street Redevelopment Fund pg. 147</u>				
56200552-590340	Reserve for Future Projects	(13,057)	362,943	
TOTAL BABCOCK STREET REDEVELOPMENT FUND				493,500
<u>Eau Gallie Redevelopment Fund pg. 149</u>				
56300552-590340	Reserve for Future Projects	148,929	148,929	
TOTAL EAU GALLIE REDEVELOPMENT FUND				274,883
TOTAL SPECIAL REVENUES FUNDS		\$ 147,812		\$ 3,648,730

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
SEPTEMBER 5, 2006

CAPITAL IMPROVEMENT FUND

	<u>DESCRIPTION</u>	<u>CHANGE</u>	<u>NEW ACCOUNT TOTAL</u>	<u>NEW DEPARTMENT TOTAL</u>
pg. 32	Source of Funds--General Fund	\$ (122,000)	\$ 3,209,204	
pg. 33	Use of Funds--Drainage Improvements	(122,000)	1,523,000	
	TOTAL CAPITAL IMPROVEMENT FUND	<u>\$ (122,000)</u>		<u>\$ 27,956,631</u>

APPENDIX II

pg. AA-32	Line various pipes under Post Rd. from RR Tracks to Wickham Rd.	\$ (122,000)	\$ 253,000
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Mayor Goode pointed out that the funding for the Diamond Community School would further revise the budget, but it would not change the bottom line.

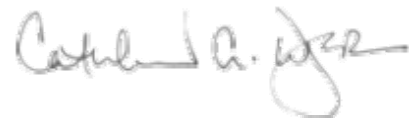
Moved by Contreras/Hand for approval of the 2006-2007 tentative budget of \$163,831,778 (which includes increases for the General Fund, Special Revenue Funds, and Capital Improvement Fund, and adding the Airport Fund). Motion carried unanimously.

Mayor Goode reminded everyone that the second public hearing will be held September 19.

6. ADJOURNMENT

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

The meeting adjourned at 7:05 p.m.



City Clerk – 9/8/2006

Approved by Council: September 19, 2006