

**MINUTES
ORMOND BEACH CITY COMMISSION
HELD AT CITY HALL COMMISSION CHAMBERS**

August 18, 2015

7:00 p.m.

Commission Chambers

Present were: Mayor Kelley, Commissioners James Stowers, Troy Kent, Rick Boehm and Bill Partington, City Manager Joyce Shanahan, Assistant City Manager and Public Works Director Ted MacLeod, City Attorney Randy Hayes, and City Clerk Scott McKee.

A G E N D A

- 1. CALL TO ORDER**
- 2. INVOCATION**
- 3. PLEDGE OF ALLEGIANCE**
- 4. PRESENTATIONS AND PROCLAMATIONS**
 - A. Ormond Beach Gymnastics Junior Olympic Competitors
 - B. Employee of the Quarter - Shawn Finley
- 5. AUDIENCE REMARKS - REGARDING ITEMS NOT ON THE AGENDA**
- 6. APPROVAL OF MINUTES**
 - A. Minutes from City Commission meeting – July 28, 2015
 - B. Minutes from City Commission meeting – August 5, 2015
- 7. COMMUNITY REDEVELOPMENT AGENCY**
 - A. **RESOLUTION NO. 2015-163** : A RESOLUTION OF THE CITY COMMISSION, INDIVIDUALLY AND ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE CENTRAL BUSINESS DISTRICT AND ADJACENT AREAS, AUTHORIZING THE EXECUTION OF A SERVICE AGREEMENT BETWEEN THE CITY/AGENCY AND ORMOND BEACH MAIN STREET, INC., FOR THE PROMOTION OF ECONOMIC, PHYSICAL AND AESTHETIC REDEVELOPMENT AND MAINTENANCE OF THE ORMOND BEACH MAIN STREET DISTRICT; AND SETTING FORTH AN EFFECTIVE DATE. **(SEE ITEM 8A)**

Staff Contact: Ric Goss, Planning Director (386-676-3238)
- 8. CONSENT AGENDA**

The action proposed is stated for each item on the Consent Agenda. Unless a City Commissioner removes an item from the Consent Agenda, no discussion on individual items will occur and a single motion will approve all items.

 - A. **RESOLUTION NO. 2015-163** : A RESOLUTION OF THE CITY COMMISSION, INDIVIDUALLY AND ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE CENTRAL BUSINESS DISTRICT AND ADJACENT AREAS, AUTHORIZING THE EXECUTION OF A SERVICE AGREEMENT BETWEEN THE CITY/AGENCY AND ORMOND BEACH MAIN STREET, INC., FOR THE PROMOTION OF ECONOMIC, PHYSICAL AND AESTHETIC REDEVELOPMENT AND MAINTENANCE OF THE ORMOND BEACH MAIN STREET DISTRICT; AND SETTING FORTH AN EFFECTIVE DATE.

Staff Contact: Ric Goss, Planning Director (386-676-3238)

- B. **RESOLUTION NO. 2015-164** : A RESOLUTION AUTHORIZING THE EXECUTION OF A COOPERATIVE ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE CITY AND TEAM VOLUSIA ECONOMIC DEVELOPMENT CORPORATION; SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Joe Mannarino, Economic Development Director (386-676-3266)*
- C. **RESOLUTION NO. 2015-165** : A RESOLUTION AUTHORIZING THE EXECUTION OF AN ENGAGEMENT LETTER BETWEEN THE CITY AND BUCHANAN, INGERSOLL & ROONEY, PC REGARDING LEGISLATIVE LOBBYING SERVICES FOR THE 2015 FLORIDA LEGISLATIVE SESSION; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Joe Mannarino, Economic Development Director (386-676-3266)*
- D. **RESOLUTION NO. 2015-166** : A RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT BETWEEN THE CITY AND THE RIVER TO SEA TRANSPORTATION PLANNING ORGANIZATION IN SUPPORT OF PLANNING AND FUNDING OF VOLUSIA COUNTY TRANSPORTATION SYSTEM PROJECTS; AUTHORIZING THE EXPENDITURE OF FUNDING; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Ric Goss, Planning Director (386-676-3238)*
- E. **RESOLUTION NO. 2015-167** : A RESOLUTION ACCEPTING A PROPOSAL FROM A.M. WEIGEL CONSTRUCTION, INC. TO PROVIDE CONSTRUCTION MANAGEMENT SERVICES REGARDING CONSTRUCTION OF THE ENVIRONMENTAL LEARNING CENTER; AUTHORIZING THE EXECUTION OF A WORK AUTHORIZATION THERETO; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *John Noble, City Engineer (386-676-3269)*
- F. **RESOLUTION NO. 2015-168** : A RESOLUTION AUTHORIZING THE EXECUTION OF A WATER, SEWER AND ANNEXATION AGREEMENT BETWEEN THE CITY AND PLANTATION OAKS OF ORMOND BEACH, LLC., FOR PROPERTY LOCATED WITHIN THE PLANTATION OAKS OF ORMOND BEACH RPUD; PROVIDING FOR RECORDATION; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Ric Goss, Planning Director (386-676-3238)*
- G. **RESOLUTION NO. 2015-169** : A RESOLUTION AUTHORIZING THE EXECUTION OF A WATER, SEWER AND ANNEXATION AGREEMENT BETWEEN THE CITY AND LYNN ZOVLUCK, AS TRUSTEE OF THE LYNN ZOVLUCK REVOCABLE LIVING TRUST, DATED JANUARY 1ST 2013 FOR PROPERTY LOCATED AT 102 AVALON DRIVE, ORMOND BEACH, VOLUSIA COUNTY, FLORIDA; PROVIDING FOR RECORDATION; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Ric Goss, Planning Director (386-676-3238)*
- H. **RESOLUTION NO. 2015-170** : A RESOLUTION AUTHORIZING THE ACCEPTANCE OF A PUBLIC UTILITY, ACCESS AND MAINTENANCE EASEMENT DEED FROM 1999 MADISON FERBER ASSOCIATES, LLC, A FLORIDA LIMITED LIABILITY COMPANY, SUCCESSOR BY MERGER TO ORMOND EXCHANGE ACCOMMODATION TITLEHOLDER, LLC, A FLORIDA LIMITED LIABILITY COMPANY, AND MORTGAGEE CONSENT TO EASEMENT FROM SYNOVUS BANK, SATISFYING A CONDITION OF THE SITE PLAN REVIEW COMMITTEE TO PERMIT THE CITY OF ORMOND BEACH ACCESS TO MAINTAIN PUBLIC UTILITIES ON PROPERTY LOCATED AT 1298 WEST GRANADA BOULEVARD; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** *Ric Goss, Planning Director (386-676-3238)*

- I. **RESOLUTION NO. 2015-171** : A RESOLUTION AUTHORIZING THE EXECUTION OF AN AUDIT CONTRACT BETWEEN THE CITY OF ORMOND BEACH AND JAMES MOORE & CO., P.L. FOR INDEPENDENT AUDITING SERVICES; REJECTING ALL OTHER PROPOSALS; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** Kelly McGuire, Finance Director (386-676-3226)
- J. **RESOLUTION NO. 2015-173** : A RESOLUTION APPOINTING AN ALTERNATE MEMBER TO THE BOARD OF ADJUSTMENT AND APPEALS; SETTING FORTH TERM AND CONDITIONS OF SERVICE; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** Scott McKee, City Clerk (386-676-3340)
- K. **RESOLUTION NO. 2015-174** : A RESOLUTION AUTHORIZING THE APPROVAL AND EXECUTION OF A PURCHASE AUTHORIZATION (REQUISITION #0000012751) FOR THE PURCHASE OF ONE FORD F-250 PICKUP TRUCK, UNDER FLORIDA SHERIFFS ASSOCIATION BID NO. 14-22-0904; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** Kevin Gray, Public Works Operations Manager (386-676-3522)
- L. **RESOLUTION NO. 2015-176** : A RESOLUTION ACCEPTING A PROPOSAL FROM STANDARD INSURANCE COMPANY FOR THE PROVISION OF EMPLOYEE DENTAL INSURANCE BENEFITS SERVICES; AUTHORIZING THE EXECUTION OF A CONTRACT AND PAYMENT THEREFOR; REJECTING ALL OTHER PROPOSALS; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** Claire Whitley, Human Resources Director (386-676-3202)
- M. **RESOLUTION NO. 2015-177** : A RESOLUTION ACCEPTING A PROPOSAL FROM STANDARD INSURANCE COMPANY FOR THE PROVISION OF EMPLOYEE LONG TERM DISABILITY INSURANCE BENEFITS SERVICES; AUTHORIZING THE EXECUTION OF A CONTRACT AND PAYMENT THEREFOR; REJECTING ALL OTHER PROPOSALS; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** Claire Whitley, Human Resources Director (386-676-3202)
- N. **RESOLUTION NO. 2015-178** : A RESOLUTION ACCEPTING A PROPOSAL FROM STANDARD INSURANCE COMPANY FOR THE PROVISION OF EMPLOYEE LIFE INSURANCE BENEFITS SERVICES; AUTHORIZING THE EXECUTION OF A CONTRACT AND PAYMENT THEREFOR; REJECTING ALL OTHER PROPOSALS; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** Claire Whitley, Human Resources Director (386-676-3202)
- O. **RESOLUTION NO. 2015-179** : A RESOLUTION ACCEPTING A PROPOSAL FROM HUMANA, INC. FOR THE PROVISION OF EMPLOYEE VISION INSURANCE BENEFITS; AUTHORIZING THE EXECUTION OF A CONTRACT AND PAYMENT THEREFOR; REJECTING ALL OTHER PROPOSALS; AND SETTING FORTH AN EFFECTIVE DATE.
- Staff Contact:** Claire Whitley, Human Resources Director (386-676-3202)
- P. **Voluntary Life Insurance Coverages**
- Staff Contact:** Claire Whitley, Human Resources Director (386-676-3202)
- Disposition:** Approve as recommended in the City Manager memorandum dated August 18, 2015.

Q. WWTP Sludge Digester Aeration Improvements

Staff Contact: John Noble, City Engineer (386-676-3269)

Disposition: Approve as recommended in the City Manager memorandum dated August 18, 2015.

R. Nova Community Park Loop Trail

Staff Contact: John Noble, City Engineer (386-676-3269)

Disposition: Approve as recommended in the City Manager memorandum dated August 18, 2015.

S. CPI Cost Adjustment Request by Austin Outdoor

Staff Contact: Robert Carolin, Leisure Services Director (386-676-3279)

Disposition: Approve as recommended in the City Manager memorandum dated August 18, 2015.

T. Riverside Drive Closures

Staff Contact: Robert Carolin, Leisure Services Director (386-676-3279)

Disposition: Approve as recommended in the City Manager memorandum dated August 18, 2015.

U. Capital Improvement Plan FY 2015-16 to FY 2019-20

Staff Contact: Kelly McGuire, Finance Director (386-676-3226)

Disposition: Approve as recommended in the City Manager memorandum dated August 18, 2015.

9. PUBLIC HEARINGS

A. ORDINANCE NO. 2015-36 : AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY INTO THE CITY OF ORMOND BEACH, SAID PROPERTY BEING GENERALLY LOCATED ALONG THE EAST SIDE OF NORTH U.S. HIGHWAY 1, WEST OF THE SOUTHBOUND ENTRANCE TO INTERSTATE 95 AND BEING COMMONLY KNOWN AS DESTINATION DAYTONA, PHASE I; REDEFINING THE TERRITORIAL BOUNDARIES OF THE CITY TO INCLUDE THE PROPERTY; REDESIGNATING THE BOUNDARIES OF ZONE 1 TO INCLUDE THE PROPERTY; PROVIDING FOR TRANSMISSION; PROVIDING FOR SEVERABILITY; AND SETTING FORTH AN EFFECTIVE DATE. **(SECOND READING)**

Staff Contact: Ric Goss, Planning Director (386-676-3238)

B. ORDINANCE NO. 2015-37 : AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY INTO THE CITY OF ORMOND BEACH, SAID PROPERTY BEING GENERALLY LOCATED AT 1151 NORTH U.S. HIGHWAY 1 ALONG THE EAST SIDE OF SAID HIGHWAY AND APPROXIMATELY 790 LINEAR FEET NORTH OF AIRPORT ROAD AND BEING COMMONLY KNOWN AS THE "BROKEN SPOKE SALOON" PROPERTY; REDEFINING THE TERRITORIAL BOUNDARIES OF THE CITY TO INCLUDE THE PROPERTY; REDESIGNATING THE BOUNDARIES OF ZONE 1 TO INCLUDE THE PROPERTY; PROVIDING FOR TRANSMISSION; PROVIDING FOR SEVERABILITY; AND SETTING FORTH AN EFFECTIVE DATE. **(SECOND READING)**

Staff Contact: Ric Goss, Planning Director (386-676-3238)

- C. **ORDINANCE NO. 2015-38** : AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY INTO THE CITY OF ORMOND BEACH, SAID PROPERTY BEING GENERALLY LOCATED ALONG THE EAST SIDE OF NORTH U.S. HIGHWAY 1, WEST OF THE SOUTHBOUND ENTRANCE TO INTERSTATE 95 AND BEING COMMONLY KNOWN AS DESTINATION DAYTONA, PHASE II; REDEFINING THE TERRITORIAL BOUNDARIES OF THE CITY TO INCLUDE THE PROPERTY; REDESIGNATING THE BOUNDARIES OF ZONE 1 TO INCLUDE THE PROPERTY; PROVIDING FOR TRANSMISSION; PROVIDING FOR SEVERABILITY; AND SETTING FORTH AN EFFECTIVE DATE.

Staff Contact: Ric Goss, Planning Director (386-676-3238)

10. STAFF ACTION ITEMS

- A. **FY 2015-16 Employee Health Insurance Coverage**

Staff Contact: Claire Whitley, Human Resources Director (386-676-3202)

11. REPORTS, SUGGESTIONS, REQUESTS

12. ADJOURNMENT

Item #1 – Meeting Call to Order

Mayor Kelley called the meeting to order at 7:00 p.m.

Item #2 – Invocation

Reverend John Jayaseelan, Bethel Ministries, gave the invocation.

Item #3 – Pledge of Allegiance

Mayor Kelley led the Pledge of Allegiance.

Item #4A – Ormond Beach Gymnastics Junior Olympics Competitors

Mayor Kelley invited Coach George Postell, the gymnastic competitors and their families to accept the proclamation.

Mayor Kelley stated that the Ormond Beach Gymnastics Program, which had been in operation for the past 35 years, built character, self-esteem and developed physically fit and skilled gymnasts in a fun, progressive and safe environment. He stated that the program was designed to get kids involved in a sport that would condition their minds as well as their bodies and perpetuate a healthy lifestyle. He explained that the Ormond Beach Gymnastics Program offered varying level classes for recreational gymnasts and Amateur Athletic Union (AAU) Levels 2 through 9 for competitive gymnasts, such as the Ormond Beach Gymnastics Junior Olympics Competitors, Level 2 and 3 girls. He stated that the Level 2 and 3 girls who participated in the Amateur Athletic Union (AAU) Junior Olympics in Hampton, Virginia, on August 3-7, 2015, were Lily Jensen, Victoria Brunner, A'Mya Daversa, Abby Pruet, Skylar Tan, Autumn Daversa and Sarah Randolph. He noted that the girls each won first place for the District of Florida overall and collectively won 25 medals.

Mayor Kelley stated that the City of Ormond Beach was very proud of the Ormond Beach Gymnastics Team and their accomplishments and was grateful to Coach George Postell, family members and everyone concerned for their contributions to the success of the Ormond Beach Gymnastics Program. He proclaimed August 19, 2015, as a day to honor the Ormond Beach Gymnastics Junior Olympics Competitors in the City of Ormond Beach and urged all residents to join with him in paying tribute to the Ormond Beach Gymnastics Junior Olympics Team and recognizing them as outstanding representatives of the youth of the City of Ormond Beach.

Item #4B – Employee of the Quarter – Shawn Finley

Ms. Joyce Shanahan, City Manager, stated that Mr. Shawn Finley was the Employee of the Quarter for the Third Quarter of fiscal year 2014-15. She stated that Mr. Finley was born in Northern Illinois and moved with his family to Volusia County in 1980. She stated

that following high school, Mr. Finley attended the University of South Florida where he received a Bachelor's degree in Chemical Engineering and a Master's Degree in Environmental Engineering. She explained that Mr. Finley had worked in Florida's citrus industry until an opportunity arose to return to the area to become a partner in a local consulting firm. She noted that Mr. Finley was the Design Engineer for many local projects including Hinson Middle School, Plantation Bay, and Fire Stations 91 & 92 for the city. She stated that Mr. Finley began his career with the city in 2009 when he was hired as the Community Development Engineer in the Planning Department. She explained that in 2012, Mr. Finley went from part-time to full-time when he moved "next door" to Engineering.

Ms. Shanahan explained that currently Mr. Finley's work focused on Capital Projects Management and that he had played a role in a number of projects including the undergrounding of utilities in the downtown, the expansion of the skate park at Nova Community Center, replacement of 2-inch water mains throughout the city, extension of reclaimed water mains to the south peninsula, and extension of fiber optic lines throughout the city. She stated that Mr. Finley enjoyed the diversity of tasks that working as an engineer for the City presented to him, and that he strove to provide professional service whether working on a citywide capital project or assisting a resident with a specific concern. She noted that Mr. Finley felt fortunate that his role allowed him the opportunity to work with many different people who worked for the City and within the community. She stated that Mr. Finley lived in Port Orange with his wife Melissa and children, Olivia and Caleb.

Mayor Kelley congratulated Mr. Finley on being named Employee of the Quarter and recognized his accomplishments. He presented Mr. Finley with a plaque, a city watch and \$250.

Item #5 – Audience Remarks

Mayor Kelley noted that no audience members wished to speak on any items *not* on the agenda during audience remarks.

Item #6A– Approval of Minutes

Mayor Kelley advised that the minutes of the July 28, 2015, and August 5, 2015, regular meetings had been sent to the Commission for review and were posted on the city's website for public viewing. He asked for any corrections, additions, or omissions. He stated that hearing no corrections, the minutes would stand approved as presented.

Item #7 – Community Redevelopment Agency

Mayor Kelley stated that the following item was a Community Redevelopment Agency (CRA) item. He explained that the City Commission served as the Community Redevelopment Agency of the city and must review the item and make a recommendation as the CRA. He recessed the City Commission meeting at 7:15 p.m. and called the CRA meeting to order.

#7A – Ormond Beach Main Street Agreement

City Clerk Scott McKee read by title only:

RESOLUTION NO. 2015-163

A RESOLUTION OF THE CITY COMMISSION, INDIVIDUALLY AND ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY FOR THE CENTRAL BUSINESS DISTRICT AND ADJACENT AREAS, AUTHORIZING THE EXECUTION OF A SERVICE AGREEMENT BETWEEN THE CITY/AGENCY AND ORMOND BEACH MAIN STREET, INC., FOR THE PROMOTION OF ECONOMIC, PHYSICAL AND AESTHETIC REDEVELOPMENT AND MAINTENANCE OF THE ORMOND BEACH MAIN STREET DISTRICT; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Boehm stated that as the City Commission's representative to the Ormond Beach Main Street ("Main Street") Board for the last three years, he had the opportunity to see how much the individuals that were a part of Main Street cared about the City of Ormond Beach and how much they cared about the development of the downtown area of Ormond Beach. He explained that he had always been strongly in

favor of public private partnerships and thought that Main Street was a splendid example of such a partnership. He noted that working with Main Street was a pleasure and their work brought a great standard to Ormond Beach. He stated that he was proud to serve on the Main Street Board and was proud that the city continued to work with them.

Commissioner Boehm moved, seconded by Commissioner Partington, for approval of Resolution No. 2015-163, as read by title only.

Mayor Kelley stated that he was happy to say that he was on the Commission 20 years prior that adopted the first agreement with Main Street. He stated that Main Street made a difference in the revitalization and energy of downtown.

The motion passed by voice vote.

Mayor Kelley closed the public hearing, adjourned the CRA meeting and reconvened the City Commission meeting at 7:18 p.m.

Item #8– Consent Agenda

Mayor Kelley advised that the actions proposed for the items on the Consent Agenda were so stated on the agenda. He asked if any member of the Commission had questions or wished to discuss any items separately.

Mayor Kelley stated that he had requests from citizens to pull item 8F.

Commissioner Kent moved, seconded by Commissioner Boehm, for approval of the Consent Agenda, absent item 8F.

Call Vote:	Commissioner Stowers	Yes
	Commissioner Kent	Yes
	Commissioner Boehm	Yes
	Commissioner Partington	Yes
Carried.	Mayor Kelley	Yes

Item #8F – Water, Sewer and Annexation Agreement – Plantation Oaks

City Clerk Scott McKee read by title only:

RESOLUTION NO. 2015-168
A RESOLUTION AUTHORIZING THE EXECUTION OF A WATER, SEWER AND ANNEXATION AGREEMENT BETWEEN THE CITY AND PLANTATION OAKS OF ORMOND BEACH, LLC., FOR PROPERTY LOCATED WITHIN THE PLANTATION OAKS OF ORMOND BEACH RPUD; PROVIDING FOR RECORDATION; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Boehm moved, seconded by Commissioner Kent, for approval of Resolution No. 2015-168, as read by title only.

Mayor Kelley noted that this item was not discussing the development of Plantation Oaks and was just considering the water and sewer annexation agreement.

Mr. Joe Jaynes, 21 Reflections Village Drive, stated that he was in favor of the water and sewer agreement. He stated that having the Plantation Oaks development adhere to the city's standards for water, wastewater and reuse was a good thing for the city. He encouraged the Commission to approve the agreement.

Ms. Rita Press, 875 Wilmette Avenue, stated that she was not there to disapprove of the annexation but the reason she had asked for the item to be pulled from the Consent Agenda was because she thought that the development would have a profound effect on the city, both in water and then when it was annexed, and that other contiguous properties would have an effect, as well. She explained that the reason she had asked the item to be pulled was because she had a lot of questions about it that she had been asked by others to bring forward. She stated that if the item was on the Consent Agenda no one would know what was going on, and all of a sudden those on Old Dixie Highway would see the development.

Mayor Kelley stated that the issue before them was the water and sewer annexation agreement. He stated that if those with questions had read the 200 pages on the item in the agenda packet they would know what this included and affected.

Ms. Press stated that she thought very few people read the Consent Agenda.

Mayor Kelley noted that it was all available for review online. He asked Ms. Press what germane questions she had. He noted that he had read the other question she had sent to the city which had been answered by the City Attorney.

Ms. Press asked how much the developer paid and how much the city would pay for the extension of the lines. She noted that she thought that was a legitimate question. She stated that there would be 400 homes on it and noted that there would be 1,577 other homes. She asked what happened after the 400 homes.

Mayor Kelley replied that was answered in the packet materials. He stated that they could not be developed or receive a certificate of occupancy until the lines had been extended to serve adequately without impacting the level of service.

Ms. Press stated that she had another question that maybe could be explained as not many people understood it. She asked what the time period was that the developer could ask for annexation into the city. She asked if there was a time period or conditions.

Mayor Kelley stated that perhaps the City Attorney or City Manager could answer that.

Mr. Randy Hayes, City Attorney, explained that it depended on when the statutory criteria were met in part and when the property owner was ready for it to be annexed. He further explained that typically in these types of situations where the county had issued a development agreement, the city tried to coordinate with them in terms of the permitting and inspections and sometimes it was easier to let that follow under their jurisdiction since they were the ones that issued the development order. He stated that there was not a specific time when they would be annexed as there were things that had to be coordinated for that.

Ms. Shanahan stated that their current development agreement with the county stated that the county would provide their utilities, which would have to be amended. She stated that once it was amended, then they would be coming back to the city.

Ms. Press noted that she did not know if it would be several years. She explained that the reason she was asking was because most people would like to have this development developed with Ormond Beach standards. She stated that the question was whether most of the development would be developed with county standards.

Mayor Kelley stated that was not relevant to this part of the discussion; whereby, Ms. Press noted that Mayor Kelley was right and she agreed with him.

Ms. Press asked how this development would affect Ormond Crossings or the other developments that might be on the lines such as the Village at Pine Run. She asked about the current capacity and the impact to others who might want it after the 400 manufactured homes went in. She asked if that would then cost the city more money.

Mayor Kelley stated that any extensions would be borne by the developer.

Ms. Shanahan stated that capacity was not reserved for anyone and it would be provided to whoever developed first.

Ms. Press noted that it was first come, first serve. She stated that these were questions that no one would sit and read the packet to find out. She explained that was the reason why people in her group and her neighbors were surprised it was on the Consent Agenda. She stated that controversial items like this should have more information coming forward, rather than an individual having to read all of the pages of the packet documents.

Mayor Kelley noted that the Commission read the materials and that citizens were welcome to ask any of them about the items. He stated that the only comment he had received was from Ms. Press. He stated that if anyone asked him about it he would explain that this agreement supplied water for the development to be developed. He estimated that it may be four to eight years before the project was out.

Ms. Press stated that these were all valid questions and she was glad that they were coming out in this discussion.

Mayor Kelley stated that the people who ran the departments were going to make the right decisions and that was why the number of 400 was arrived at by the city's consultant as what they felt could adequately be served.

Call Vote:	Commissioner Kent	Yes
	Commissioner Boehm	Yes
	Commissioner Partington	Yes
	Commissioner Stowers	Yes
Carried.	Mayor Kelley	Yes

Item #9 – Public Hearings

Mayor Kelley opened the public hearings.

Item #9A – Destination Daytona, Phase I Annexation

City Clerk Scott McKee read by title only:

ORDINANCE NO. 2015-36
AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY INTO THE CITY OF ORMOND BEACH, SAID PROPERTY BEING GENERALLY LOCATED ALONG THE EAST SIDE OF NORTH U.S. HIGHWAY 1, WEST OF THE SOUTHBOUND ENTRANCE TO INTERSTATE 95 AND BEING COMMONLY KNOWN AS DESTINATION DAYTONA, PHASE I; REDEFINING THE TERRITORIAL BOUNDARIES OF THE CITY TO INCLUDE THE PROPERTY; REDESIGNATING THE BOUNDARIES OF ZONE 1 TO INCLUDE THE PROPERTY; PROVIDING FOR TRANSMISSION; PROVIDING FOR SEVERABILITY; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kent moved, seconded by Commissioner Partington, for approval of Ordinance No. 2015-36, on second reading, as read by title only.

Call Vote:	Commissioner Boehm	Yes
	Commissioner Partington	Yes
	Commissioner Stowers	Yes
	Commissioner Kent	Yes
Carried.	Mayor Kelley	Yes

Item #9B – 1151 North US1 (Broken Spoke Saloon) Annexation

City Clerk Scott McKee read by title only:

ORDINANCE NO. 2015-37
AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY INTO THE CITY OF ORMOND BEACH, SAID PROPERTY BEING GENERALLY LOCATED AT 1151 NORTH U.S. HIGHWAY 1 ALONG THE EAST SIDE OF SAID HIGHWAY AND APPROXIMATELY 790 LINEAR FEET NORTH OF AIRPORT ROAD AND BEING COMMONLY KNOWN AS THE "BROKEN SPOKE SALOON" PROPERTY; REDEFINING THE TERRITORIAL BOUNDARIES OF THE CITY TO INCLUDE THE PROPERTY; REDESIGNATING THE BOUNDARIES OF ZONE 1 TO INCLUDE THE PROPERTY; PROVIDING FOR TRANSMISSION; PROVIDING FOR SEVERABILITY; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Boehm moved, seconded by Commissioner Stowers, for approval of Ordinance No. 2015-37, on second reading, as read by title only.

Call Vote:	Commissioner Partington	Yes
	Commissioner Stowers	Yes
	Commissioner Kent	Yes
	Commissioner Boehm	Yes
Carried.	Mayor Kelley	Yes

Item #9C – Destination Daytona, Phase II Annexation

City Clerk Scott McKee read by title only:

ORDINANCE NO. 2015-38

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY INTO THE CITY OF ORMOND BEACH, SAID PROPERTY BEING GENERALLY LOCATED ALONG THE EAST SIDE OF NORTH U.S. HIGHWAY 1, WEST OF THE SOUTHBOUND ENTRANCE TO INTERSTATE 95 AND BEING COMMONLY KNOWN AS DESTINATION DAYTONA, PHASE II; REDEFINING THE TERRITORIAL BOUNDARIES OF THE CITY TO INCLUDE THE PROPERTY; REDESIGNATING THE BOUNDARIES OF ZONE 1 TO INCLUDE THE PROPERTY; PROVIDING FOR TRANSMISSION; PROVIDING FOR SEVERABILITY; AND SETTING FORTH AN EFFECTIVE DATE.

Mr. Ric Goss, Planning Director, stated that Destination Daytona Phase II was the last annexation on the Interstate 95 corridor. He explained that it consisted of 112 acres that had already been provided land use and zoning, as well as having their planned development incorporated from the county. He stated that staff recommended approval.

Commissioner Partington moved, seconded by Commissioner Stowers, for approval of Ordinance No. 2015-38, on first reading, as read by title only.

Mayor Kelley joked that the name should be changed from Destination Daytona to Destination Ormond Beach.

Call Vote:	Commissioner Stowers	Yes
	Commissioner Kent	Yes
	Commissioner Boehm	Yes
	Commissioner Partington	Yes
Carried.	Mayor Kelley	Yes

Mayor Kelley closed the public hearings without objection.

Item #10A – FY 2015-16 Employee Health Insurance Coverage

City Clerk Scott McKee read by title only:

RESOLUTION NO. 2015-175

A RESOLUTION ACCEPTING A PROPOSAL FROM FLORIDA HEALTH CARE PLANS, INC. FOR THE PROVISION OF EMPLOYEE HEALTH/MEDICAL BENEFITS SERVICES; AUTHORIZING THE EXECUTION OF A CONTRACT AND PAYMENT THEREFOR; REJECTING ALL OTHER PROPOSALS; AND SETTING FORTH AN EFFECTIVE DATE.

Ms. Shanahan stated that the city had been out to bid for its health insurance coverage. She noted that there had been a total of 11 different proposals being considered. She stated that the renewal quote the city received from Florida Health Care Plans (FHCP) constituted a 33% increase over current year coverage. She stated that there were 312 general employees on the health care plan and about 100 of those individuals had the family plan coverage. She noted that the city paid a little over \$2 million for the employee only coverage and that the increase would have brought it to \$2.6 to 2.7 million. She explained that the city had budgeted for what they thought to be a very conservative 15% to 20% increase. She stated that the plans were not such that the city could get a plan which was affordable. She stated that the current deductible was \$250 for individual and \$750 for family. She stated that the max out of pocket currently was \$2,000 for individuals and \$4,000 for family.

Ms. Shanahan explained that the city had the HMO G66 plan from FHCP. She stated that the employee premium paid by the city on behalf of the employee was \$538. She explained that to have the same plan for the next budget year it would cost the city \$700 per employee, which was not affordable. She stated that the city was looking for more affordable options and had spoken to partners in Volusia and Flagler counties. She noted that the City of Edgewater would be moving to a high deductible plan because their coverage was also unaffordable. She stated that Palm Coast moved to a

self-insurance plan two years prior where clinic services and a health savings account were offered for their employees. She noted that the City of Deland had the same level of benefits but also added a clinic which helped reduce their costs moving forward. She stated that what the city was proposing this evening was a hybrid plan. She explained that health savings accounts (HSAs) were IRS tax code type accounts and were easily put in place at the beginning of a calendar year on January 1. She explained that the proposal was to continue with the existing plan from October 1, 2015, to December 31, 2015, and then beginning on January 1, 2016, to change to a high deductible plan, the T 94 plan, which would have a deductible of \$1,600 for individuals instead of the current \$250 and a \$3,200 out of pocket max.

Ms. Shanahan explained that in order to try and offset that cost for employees, the city would take a two-fold approach. She stated that the first step would be to suggest bidding out coverage for a clinic, looking at other clinic models that other communities had offered. She explained that the clinic was typically open eight to ten hours a week for services for employees such as sore throats, ear aches or sutures. She noted that the employees could go to the clinic during its open hours for no charge, which would help reduce the city's claims and also help the employee as there would be no cost for them. She stated that the second offsetting measure would be to create a HSA for employees. She noted that the dollar figure for the account was not yet finalized, but staff would be coming back to the Commission specifically with that and the clinic once proposals were received. She stated that the city was estimating that it could afford a \$1,100 per employee deposit to their HSA. She explained that those funds could only be used for medical expenses and were governed by the IRS. She noted that the funds rolled over if not used and could be kept for as long as the government allowed HSAs.

Ms. Shanahan noted that she had spoken to each member of the Commission about the issue. She stated that all of them had struggled with the costs that the city was facing and what it was doing to the employees and their ability to afford healthcare coverage. She stated that staff reviewed several proposals including self insurance and noted that it was not affordable because of some catastrophic claims that the city had. She explained that the reinsure would remove those catastrophic claims and make the city responsible for a larger dollar amount. She stated that those proposals ranged from a low of 30% to a high of 50% more than existing coverage.

Mayor Kelley noted that for the first three months there would be a \$250 deductible. He asked if any part of that \$250 being reached allocated to the deductible from January 1, 2016, onward. He noted that he probably knew the answer.

Ms. Claire Whitley, Human Resources Director, replied that it was not.

Commissioner Kent stated that it was not too long ago that the city offered a health insurance plan where there was no deductible. He noted that changes were made and it was increased to \$250. He stated that now it would be raised again to \$1,600, but really it would be more like \$500 if \$1,100 was put into the HSA for each employee. He stated that he thought that staff had worked diligently on the issue and not left any rocks unturned. He noted that he was a big fan of what Brown and Brown Insurance did locally. He explained that he wanted it on the record that this was a bad thing for the city's employees. He stated that it was not a good thing for the working man and woman that were doing everything right. He explained that the employee was receiving no extra benefit but would be paying more and the increase would be put on the backs of the workers. He explained that he publicly wanted to state that he did not like it, he was against it, and it was not the right thing to do; but he noted that he probably would have to vote for it. He noted that some in the audience may wonder why he would probably vote for it given his comments. He explained that looking at all of the other options this was the best one. He asked why all of the plan choices were bad.

Mayor Kelley asked if he could answer the question; whereby, Commissioner Kent stated that he wanted Ms. Whitley and Ms. Scott to answer.

Mayor Kelley stated that it was due to the Affordable Care Act.

Commissioner Kent asked if that was actually the reason. He noted that there was a 30% increase proposed. He noted that Ms. Shanahan had referenced catastrophic claims and stated that the city did have some individuals get very sick. He asked what happened in years that there were no catastrophic claims. He noted that the insurance company did not lower their rates because of that. He stated that Commissioner Partington had said something at least ten years ago that always stuck with him and that

was the phrase “stop the madness.” He stated that an extra \$600,000 from the city to keep what they had was madness. He stated that if that was not the preferred option, then the other was to put the cost increase on the backs of the workers. He noted that he was more in favor of the city picking up the cost of the increase rather than passing it down to the employees. He stated that they would have to come up with some cuts somewhere else in the budget. He explained that the changes would basically decrease all of the employees’ salaries.

Commissioner Kent noted that insurance companies were not paying doctors and hospitals 100% of the amount of catastrophic claims and had underwriters with whom they had worked out deals. He noted that his frustration was evident and the situation was not good or right for the city’s employees. He stated that he was hopeful that one of his fellow Commissioners had a creative way to do something to prevent the employees having to pick up the cost of the increase.

Commissioner Partington stated that he thought that Mayor Kelley was right that the Affordable Care Act was largely responsible for this. He stated that Affordable Care Act was an oxymoron like “jumbo shrimp.” He noted that he shared Commissioner Kent’s frustration. He explained that it was getting to the point where they would just pay a retired doctor \$250,000 a year to be on staff and get an account to cover other costs that might be exorbitant, basically a self-insurance plan. He stated that cities would not be able to handle 30% increases year after year. He asked if the HSA would be able to be utilized to meet the deductible if it was not spent and rolled over to the next year.

Ms. Whitley explained that the HSA funds was the individual’s forever and stayed in their account. She stated that it could be used to meet the deductible and also used for dependents, saved for larger expenses, and individuals could add their own money to that account, as well. She explained that the strategy in choosing the HSA, which involved the city providing money to employees, was that they could create a long-term savings vehicle for them as they did not foresee health care costs going down but only going up. She noted that the challenge of health care costs would not go away and that they would face it year after year. She explained that what the city was trying to do was provide something for employees to help them fund that account so that as they moved forward, they at least had a roadmap for helping to meet those costs.

Commissioner Partington stated that he hoped that alleviated some of Commissioner Kent’s concern and noted that was what helped him. He noted that some families who had difficult years would not be covered by that amount and it would be difficult for them. He explained that he thought that a lot of families would be able to roll over for a year or two until they were on top of the deductible expense. He noted that a clinic would be great but he felt like it would be expanded until there was a medical department as part of the City of Ormond Beach to deal with future health costs as there was no other way around it. He stated that an average of \$6,000 per employee was being spent to provide this benefit and as such new, better and more affordable ways for residents to pay to provide this benefit had to be investigated. He noted that the benefit also had to be a quality benefit so that quality employees could be retained. He stated that he would vote for the proposal and applauded staff for their hard work and ingenuity in coming up with it.

Commissioner Boehm stated that he had worked in the private sector and spent 21 years managing a private law firm. He explained that as such he spent 21 years looking at healthcare proposals. He noted that he also went through being self-insured and having an HSA plan. He stated that unless it had changed, individuals could self fund the HSA above what the city contributed to cover the balance of the deductible and the family deductible. He noted that the HSA was a very flexible, pre-tax account and was able to roll over. He stated that a pretty substantial amount could be built up in years where everyone was relatively healthy.

Commissioner Boehm noted that he would disagree with the other Commissioners about the Affordable Care Act, which was also known as Obamacare. He explained that he was dealing with 10 and 15% increases before it existed. He further explained that the problem was that no one in society did anything to prevent the cost of medical care from going up. He noted that Obamacare was failure in his opinion as it did not address that either. He explained that manufacturers raised the price of generic drugs because they could and no one could stop them. He stated that no one in the United States elected officialdom did anything to stop costs from increasing. He noted that cost of living and inflation had nothing to do with it. He explained that the costs were raised however companies wanted them to. He noted that a lot of pharmaceutical companies were

foreign companies whose profits did not come to the United States, but the United States spent the money to generate those profits. He explained that his business got to the point where its employees had to help contribute to health care costs as they could not afford the 30% increases. He noted that the city's staff was being creative and trying to stop the bleeding.

Commissioner Boehm explained that someday a bigger answer had to happen in a higher place in order to try and rein it in and get it under control. He noted that he shared Commissioner Kent's frustration as he had to pay for family coverage. He stated that his coverage was currently with the school district. He noted that it was outrageous and cost \$20,000 a year. He explained that he dealt firsthand with the frustration of having to amend budgets at his business because of health insurance increases and having to tell employees they would not get the pay increases they anticipated because of the rising costs of healthcare. He stated that he would vote for the proposal but was as equally frustrated at the issue as Commissioner Kent and Commissioner Partington.

Commissioner Stowers stated that he wanted everyone to think about what would happen if the city were to raise taxes by 33% in Ormond Beach. He noted that it was unimaginable. He stated that in his opinion the city was relenting and going with this plan. He noted that he also thought that staff and Brown and Brown Insurance did a fine job dealing with a difficult situation and trying to come up with creative solutions. He stated that he was not in favor of staff's recommendation. He explained that he saw the increase as a cost that the city needed to take on for its employees. He stated that he thought it absolutely was a pay reduction. He explained that the city was providing employees a 2% but then a 33% increase on healthcare, which did not balance out. He explained that he would like to put together a three-year plan, rather than just a one year plan, where staff started the process of putting funds into an HSA and let it roll over one or two years. He noted that would eat up a whole lot more of the budget but services and other items could be cut.

Commissioner Stowers explained that rather than over 300 employees suffering quietly it would not be everyone's problem as the city was now cutting services in order to deal with the issue. He stated that they would have to tell residents who asked why certain projects were not going forward that the reason was healthcare costs. He reiterated that then it would be everyone's problem instead of just the employees who worked hard, sat on the sidelines during the recession without a pay increase, and who now were just about to receive a 2% pay increase but would be hammered with health care costs. He noted that he was a little biased. He explained that he had hit his dental out-of-pocket for the year and was quite certain he would hit the family out-of-pocket for the year also. He noted that those costs were already devastating to a family. He explained that for the average household income it was beyond devastating. He noted that the family plan deductible was \$6,400. He stated that most families had cars that were worth that much, including him. He stated that was only for the 1.6% increase and it was not like the city was getting a better deal, they were just paying more. He explained that for all of those reasons he was in favor of keeping the current deductible and having the city pay the difference. He noted that unfortunately that would put staff in a difficult position.

Mayor Kelley noted that this was only the tip of the iceberg. He stated that starting in 2018 the city would have to pay an excise tax of \$2,500 per employee to the government because this health care plan was considered a luxury plan. He stated that it was 40% of the premium. He stated that a HSA of \$1,100 against the deductible of \$1,600 was \$500. He stated that would be a difference of \$250 from the current \$250 deductible. He stated that there would also be a clinic which would eliminate the co-pay.

Ms. Shanahan stated that the clinic would be available in January 2016 and it would not cost the employee to utilize it.

Mayor Kelley stated that the clinic could eliminate some visits that would apply to one's deductible. He reiterated that there was essentially a \$250 difference on the average person. He noted that he did not understand the \$6,000 Commissioner Stowers referenced. He stated that he hated insurance going up. He explained that it cost \$89 for his wife to be born in the hospital in 1951 and for her and her mother to stay there for six days. He noted that now it was probably \$10,000. He explained that the Affordable Care Act required that every insurance company insure everyone for everything including women who were unable to be pregnant to be able to do so. He noted that anyone with any condition had to be insured and no exceptions were made. He stated that everyone had to pay for those that were uninsured. He explained that was one of the reasons that all of the premiums were going up. He noted that his prescription medications were

affordable and that pharmacists did not make the profits on the medications that they used to.

Mayor Kelley asked if the city would ask its residents to pay more for city employees' insurance and then pay that \$2,500 per employee premium in 2018 for the privilege of the employees having that coverage. He noted that a separate deal was made for the auto unions where they would not have that premium. He also noted that one might have been made for federal government employees, but he doubt it would be that way for city employees. He explained that small companies and small cities would be the ones paying. He stated that the difference was \$250. He explained that part of that could be made up with the clinic. He suggested trying the plan for one year and to see how it worked. He noted that it was an increase but the city would not be paying the 30% increase. He stated that the basic cost from January on would be less than 1%.

Ms. Shanahan clarified that the excise tax that Mayor Kelley referenced would be effective in 2018 and the Florida League of Cities (FLOC) estimated that about 86% of cities would be subject to that tax based on their current plans. She stated that the city had taken a long-term approach to resolving the issue. She explained that if the city kept with the existing plan but still set up the clinic and HSA, it would be over and above the 30% that the city had to pay and could be \$800,000. She stated that the city was a service business. She explained that the only way she could reduce expenditures was to cut employees. She stated that if that was the direction, she could work with staff to reduce employees in order to maintain the same benefits. She explained that they believed that by doing this hybrid plan next year it set the city up for the establishment of a clinic and to be able to go self-insured in a future year once they were a year further away from those catastrophic losses. She noted that hopefully the claims would go back down and the city would be more attractive to reinsurers. She explained that she heard the Commission's comments, but there would be some extremely difficult choices to make as the budget was very tight to begin with. She stated that if that was the direction staff was being provided, there was a lot of work to do between then and the first budget hearing on September 9, 2015.

Mayor Kelley asked if the HSA had to be used for the individual or their family, or if it could be used for another employee. He noted he believed the answer to be that it could not. He explained that years ago employees could contribute their time or money to other employees, but now with the laws said that could not been done.

Ms. Shanahan replied that there was still a sick pool and an eligible employee could apply through their supervisor anonymously and leave time could be donated to that bank. She explained that the Finance Director worked it out based on how much money she received based on the hours. She noted that had been routinely used for individuals with cancer and other hardships. She stated that many people had benefited from that and the employees were very generous with one another.

Commissioner Kent noted that he was concerned that the clinic would only be open eight hours a week. He stated that if he could tell his body what day and time to get sick that might work, but he did not have that control. He referenced Mayor Kelley's suggestion to try it for a year and his comment that it was only an extra \$250. He explained that he told himself when the deductible was first raised from zero to \$250 that his goal was to get the employee deductible back to zero eventually. He noted that he was never comfortable with that increase. He stated that he agreed with Commissioner Stowers and praised him for his comments. He explained that Commissioner Stowers was right that all employees went years without any added benefits. He stated that things were starting to turn around and they were being given a measly 2%. He noted that 2% was measly, and he was frankly a little embarrassed about that amount. He explained that part of his job and his goal was to make sure that the Commission did better for the employees.

Commissioner Kent stated that Commissioner Stowers was right that if the city tried to raise taxes by 30% or raise any water or sewer rates by 30%, it would not be settled for. He noted that this only affected the 400 employees who kept the city running and worked their tails off. He referenced Mr. Finley being awarded Employee of the Quarter earlier and being given \$250, a watch and a great job. He stated that they might as well ask for that \$250 back because they really did not mean it. He explained that it could be spun any way they desired, whether it be that it was only a small increase here or that maybe some families can build up their account over a couple years. He stated that it was plain wrong in his opinion. He stated that he was a "no" on this item and noted that Commissioner Stowers had invigorated him even more with his comments.

Commissioner Boehm stated that he understood what the city contributed to the HSA was solely at the city's discretion and had no affected whatsoever on the insurance rate. He stated that the concern was that the employees would be going from a \$250 deductible to a \$1,600 deductible and noted that the city was proposing to put \$1,100 in a HSA. He suggested that if the city contributed \$1,350 to the HSA, rather than \$1,100, it would have the effect of basically keeping the deductible the same. He noted that with his math it would cost the city \$80,000 to do that. He explained that the employee would still have basically a \$250 deductible with the \$1,350 HSA funds and the city would have a year of the clinic model to see what that saved. He noted that the difference would be \$80,000 paid into the HSA. He stated that it was a benefit to the employees if they stayed healthy and would roll over into the following year.

Commissioner Kent stated that he could swallow that for the year.

Commissioner Boehm asked if that was an appropriate compromise solution for Commissioner Kent and Commissioner Stowers.

Mayor Kelley asked Ms. Shanahan if she could fund the difference.

Ms. Shanahan stated that staff needed a specific motion from the Commission to approve the plan proposal. She suggested that staff be directed to enter into a contract with FHCP for the HMO G66 from October 1, 2015, to December 31, 2015, and enter into a contract with FHCP for the T94 plan from January 1, 2016, to December 31, 2016, direct staff to solicit an RFP for clinic services, with a range of hours and options for providing it, and direct staff to fund an HSA at a \$1,350 level per employee.

Commissioner Boehm moved, seconded by Commissioner Partington, for approval of Resolution No. 2015-175, as read by title only, and to direct staff to contract with Florida Health Care Plans for an HMO G66 plan from October 1, 2015, to December 31, 2015, and a T94 plan from January 1, 2016, to December 31, 2016, to solicit an Request for Proposal (RFP) for clinic services, noting hours and options in said RFP, and to fund health savings accounts (HSA) at \$1,350 per employee.

Commissioner Partington asked Ms. Shanahan if that would cost \$80,000 out of Fund Balance or elsewhere.

Ms. Shanahan stated that she did not have any money hanging around so she would probably have to take it from the Fund Balance.

Commissioner Partington stated that was fine and it could be made up the following year.

Mayor Kelley noted that HSAs were new to most but not he or Commissioner Boehm who had dealt with them. He stated that he had friends who had \$10,000 in their HSA over a period of seven or eight years. He noted that this year he would have funds left over if he had one, as he would not have met the amount of the deductible. He noted that he believed that the \$900,000 catastrophic claim had been paid and was not a claim where only \$100,000 of it was paid. He asked if the full amount was paid.

Ms. Shanahan replied that the claim counted against the city.

Ms. Jessica Scott, Brown and Brown Insurance, stated that FHCP paid the claim.

Mayor Kelley noted that because it was paid and the expenses were incurred, the coverage rate went up. He stated that was how insurance worked. He explained that the insurance companies would not be in business if they lost money every year. He stated that he thought that the insurance companies tried to be fair, noting that Commissioner Kent was laughing at that comment. He noted that some of them made less than four percent; whereby, Commissioner Kent stated that some of them had record profits.

Mayor Kelley stated that private industry should make as much as they wanted to as they were paying taxes on it. He stated that they could not control the insurance companies. He explained that the plan before them was a hybrid and would be different than what they had dealt with before. He stated that he thought that they would find after a couple of years that it would work. He suggested that in 2018 it would be worse and that the more that was provided to employees the more the city would have to pay. He noted that it would be very difficult.

Call Vote:	Commissioner Kent	Yes
	Commissioner Boehm	Yes
	Commissioner Partington	Yes
	Commissioner Stowers	Yes
Carried.	Mayor Kelley	Yes

Mayor Kelley applauded Commissioner Boehm for suggesting the solution that he did. He stated that he believed that satisfied everyone and would get the city through. He noted that the city's employees could not be left without insurance, but neither could the city ask residents to pay more taxes for health care costs. He stated that those in the private sector paid greatly for their health care. He noted that everyone was suffering and provided an example of a friend who paid \$1,000 a month for individual coverage.

Commissioner Kent stated that Commissioner Boehm had referenced what people had to pay in the public sector, too, when he stated that he paid \$20,000 for family coverage through the school district. He noted that everyone was feeling effects of this and it was not just a specific group that was.

Item #12 – Reports, Suggestions, Requests

Employee Health Care

Ms. Shanahan thanked Ms. Whitley and Ms. Scott for all of their hard work. She thanked the Commission for their compassion and desire to do the best for the city's employees and for always pushing staff hard for a practical solution.

Airport Master Plan Update Public Meeting

Ms. Shanahan stated that there would be an Airport Master Plan Update Public Meeting on Monday, August 24, 2015, from 6:00 p.m. to 8:00 p.m. in the City Commission Chambers. She explained that this was part of the ongoing plan to update the Airport Master Plan. She stated that once public feedback was received, the plan would be brought to the City Commission in an October workshop.

Upcoming Meetings

Ms. Shanahan stated that the City Commission meetings in September were both on Wednesdays, September 9 and September 23. She explained that by state law the city was not permitted to hold budget meetings on the same day that the county or school district had them.

Labor Day

Ms. Shanahan stated that City Hall would be closed on Monday, September 7, 2015, in observance of Labor Day.

Movies on the Halifax

Ms. Shanahan stated that Movies on the Halifax would be held on Friday, September 4, 2015, and that the movie would be *Annie*.

Environmental Learning Center

Ms. Shanahan stated that the groundbreaking for the Environmental Learning Center would be on August 28, 2015, at 5:30 p.m.

CAP Color Guard

Commissioner Boehm stated that the Color Guard of the Civil Air Patrol (CAP) Cadet Wing won first place at the Florida Wing Cadet Competition that previous weekend while competing against other teams from around the state. He noted that the CAP Cadets had been honored at previous meetings and were an outstanding group. He stated that he loved to see young people from Ormond Beach succeed.

YMCA Pool

Commissioner Boehm stated that he and Mayor Kelley attended the YMCA Pool Grand Opening. He stated that it was an outstandingly, beautiful pool. He explained that the YMCA had made an arrangement with the city to teach every first grader in the city how to swim. He noted that was another example of a great public private partnership and that it was a great pool for them to learn how to swim in.

Ormond Beach Population

Commissioner Boehm stated that the state of Florida officially announced that the population of Ormond Beach was over 40,000 people.

Renaming Environmental Learning Center

Commissioner Partington stated that he needed the Commission's help this evening with the naming of the Environmental Learning Center and whether it would continue to be called the Environmental Learning Center or be changed to the Environmental Discovery Center. He stated that some members of staff recommended the name change and noted that a committee of volunteers made up of teachers and other professionals strongly recommended changing the name to Environmental Discovery Center. He noted that it was a minor distinction, but some people were turned off by the word "learning," including possibly children. He stated that "discovering" was more enticing and sounded more exciting to a child. He explained that he was checking with the Commission to see if they could develop consensus, noting that they could not discuss it privately. He stated that the committee had professionals, some of whom had worked at environmental centers, and others had been teachers and had a tremendous amount of education, were recommending that the facility be called the Environmental Discovery Center. He asked if any member of the Commission had any issue with the change. He explained that Ms. Shanahan needed to know as the invitations for the groundbreaking would be going out. He noted that it would also need to be changed for any future agenda items or anything of that nature. He confirmed with some members of the Commission that they were comfortable with the change.

Mayor Kelley stated that he hoped that children would learn something and that was the purpose of the center. He stated that the children were there to learn, explore and discover. He noted that if the children were turned off by learning they better get in the real world because you had to learn to succeed in life. He likened changing the name because it might offend someone to giving everyone a trophy even if they did not deserve it. He stated that he did not see any reason to change it, and he would be the only dissenting opinion. He stated that it was ridiculous to change it to discovery instead of learning, regardless of how smart those that wanted to change it were. He noted that the city had applied for everything with it titled as the Environmental Learning Center and had designed the facility to be a learning center and as a teaching concept. He stated that those visiting the facility should be there to learn, and if they were upset with that they should not go.

Commissioner Partington noted that he had gotten used to calling it the Environmental Learning Center and was sure he would still call it that. He explained that after staff visited the Marine Discovery Center they thought that discovery might be a better term to use. He noted that those that visited the facility would certainly learn. He stated that he did not have enough personal preference one way or the other and was happy to defer to the volunteers who had put in the time creating the curriculum and materials used to teach.

Mayor Kelley stated that Environmental Discovery Center did not roll off the tongue like Environmental Learning Center did, whereby, Commissioner Partington stated that they were almost equal to him.

Mayor Kelley noted that if the other four members of the Commission wanted to change it, it would be changed.

Commissioner Kent noted that it did appear that four Commissioners were fine with the change. He stated that Mayor Kelley was fantastic, and he agreed with him about how it was a place to learn. He noted that he loved that Mayor Kelley was not trying to be politically correct. He stated that he was ultimately comfortable with the name change, however.

Mayor Kelley stated that it was nuts to change it; whereby, Commissioner Partington noted that it might be and reiterated that he did not have a strong feeling one way or another. He stated that he was appreciative of the hours that well-trained professionals had put into coming up with the curriculum, saving thousands of dollars for the city. He noted that he was happy to honor a strong recommendation made at their committee meetings.

Ethics Training

Commissioner Partington stated that he completed his ethics training twice that summer. He explained that he watched the same presentation online that Commissioner Kent and Commissioner Stowers had attended; once it was determined that one could watch it online. He noted that he also attended a live presentation for four hours at the Florida League of Cities. He explained that he did not receive certification as he was not required by law to report that he attended those classes. He noted that he mostly knew

all of that information before, but it was nice to have a refresher. He stated that the legislature thought that elected officials needed to do so.

Mayor Kelley running for County Council

Commissioner Partington congratulated Mayor Kelley on his run for County Council. He stated that he was excited about it, supported him and thought that it would be a great thing for Ormond Beach and all cities when Mayor Kelley was serving on the Council. He noted the buzz from officials from other cities about Mayor Kelley and other city officials that were running.

Historic Preservation Plan

Commissioner Partington noted that the Commission had received an email from Dr. Shapiro about the Historic Landmark Preservation Board. He noted that he believed it was the Commission's intention for the Historic Landmark Preservation Board to be involved with the Historic Preservation Plan and asked Ms. Shanahan if she could relay that message to them so that they knew that it had always been the city's plan to keep them involved and allow them to have input.

Mayor Kelley noted that he had told Dr. Shapiro that it made sense for the Historic Landmark Preservation Board to be a part of the process, but he did not copy the rest of the Commission on his response in case they might to respond, due to Sunshine Laws.

Florida League of Cities Conference

Commissioner Partington stated that the 89th annual Florida League of Cities Conference had been held the previous week. He explained that as the President of the Volusia League of Cities he was more involved with the conference than he had ever been and served on the Resolutions Committee, the Nominating Committee, the Finance and Tax Committee, and served as the voting delegate for the business meeting. He noted that there were numerous resolutions and nothing was controversial. He stated that the Nominating Committee resulted in Mr. Matt Surrency from Hawthorne becoming the new current President of Florida League of Cities and Ms. Susan Haney, Mayor of Boca Raton, becoming First Vice President, and serving as Mayor next year, and Mr. Gil Ziffer, a Commissioner from Tallahassee, elected as the Second Vice President. He stated that the Finance and Tax Committee addressed the issues of protection of the communication services tax and also protection of the local business tax, noting that those revenues were always under attack.

Commissioner Partington noted that Mayor Kelley and Ms. Shanahan gave a presentation on effective relations between a City Manager and City Commission in a City Manager-Mayor form of government which was well received. He noted that he saw a fair amount of representatives from sister cities there. He explained that it was interesting to him that a lot of cities sent every one of their Commissioners each year. He noted that he did not think that was really necessary and stated that historically Ormond Beach had sent one or two of their Commission members. He stated that it was something to think about.

YMCA Dog Park Partnership

Commissioner Partington addressed Ms. Shanahan about partnering with the YMCA for a dog park. He noted that the Commission had discussed funding during the CIP Workshop and that Mayor Kelley had asked about when the funds were needed at the Operating Budget Workshop. He asked Ms. Shanahan for clarification as to when the YMCA would need the \$500,000, which constituted about 8% or 10% of the overall project. He noted that he understood that their timeline for the dog park may have moved up.

Mayor Kelley noted that Commissioner Partington did not know this, but he had met with Ms. Shanahan and discussed the same topic. He stated that he understood that this would not be needed until the 2016-17 budget, but what was necessary to help further the project was from the city of their intent to participate as a partner for the dog park.

Ms. Shanahan stated that the timeline had changed and they wished to move it up. She explained that she spoke with Mr. Charlie Lydecker, and he had indicated that the YMCA would prefer to have those funds in the 2015-16 budget. She further explained that the city had a couple of capital projects that would not be done because they were not funded by the Florida Recreation Development Assistance Program (FRDAP) and so those funds could be used. She noted that they would probably also have to borrow from Fund Balance in advance. She stated that staff would come back with the budget in September and rearrange those funds so that they could be available in 2015-16. She

noted that she did not believe the funds were needed by the YMCA until January but an agreement and other things needed to be worked out beforehand, but the dollars had to be accounted for in the budget. She explained that she went back through the minutes from the workshop and noted that there was a recommendation for a \$500,000 partnership but it was not voted upon because it was a workshop. She noted that was the number she was working from.

Mayor Kelley noted that it might need to be pulled for discussion when it was brought back; whereby, Ms. Shanahan suggested that she could bring it back as a separate item for discussion. She noted that she had a meeting scheduled with the Executive Director of the YMCA and would know more details following it. She explained that there would need to be a very detailed agreement in place.

Commissioner Partington stated that he had received an email from a board member of the Ormond Beach YMCA regarding the dog park which asked for the support and explained the reasons why it was needed. He explained that he was not sure if clear enough direction had been provided, and he was also unclear on the timeline.

Commissioner Boehm stated that he had spoken to the YMCA that week. He noted that he did not believe that they had a hard number in regards to the cost of the dog park.

Ms. Shanahan stated that the YMCA had two quotes; whereby, Commissioner Boehm noted that the YMCA did not have a contract with anyone.

Ms. Shanahan explained that the YMCA told her that they needed \$500,000 for the partnership.

Commissioner Boehm stated that in terms of showing a quote of what they were really going to spend was not available; whereby, Ms. Shanahan stated that she had to budget some amount.

Commissioner Boehm stated that the actual hard cost was not there yet and the city should know exactly what they were spending the money for and what the costs would be.

Ormond Beach 36 years prior

Commissioner Partington stated that his father brought him a newspaper called the Ormond Beach Journal that was dated Thursday, September 6, 1979, which was 36 years ago. He stated that there were pictures from the damage of Hurricane David and also a picture of Fire Station 92. He explained that the newspaper talked about the variety of classes available at the Senior Center. He stated that the city was working on a \$30 million General Fund budget and the budget highlighted in the newspaper was \$4.7 million and included a 6% cost of living increase for the city's estimated 300 employees. He noted that 36 years prior the city had 300 employees and only had 331 presently. He stated that the 1979 budget also included a ten cent reduction per \$1,000 in assessed evaluation in the property tax rate, a 25 cent per month increase in garbage pickup rates for residents, and a ten cent increase per cubic yard for commercial users. He stated that Ormond Beach had always created their budget smarter, leaner and more effectively than many other cities.

Plantation Oaks Water and Sewer Annexation Agreement

Commissioner Stowers referenced the earlier item for the water and sewer annexation agreement for Plantation Oaks and noted that Ms. Press had asked who really looked at all of the materials for the item. He stated that as Ms. Press went through her questions he reflected that her questions were ones that he had exact conversations with the City Manager about prior to the meeting. He explained that the Commission was looking at each item, as they should be, and he felt that the residents of Ormond Beach were in good hands with them serving as their elected officials.

Florida League of Cities Conference

Mayor Kelley thanked Commissioner Partington for his service at the FLOC Conference. He explained that each member received a ribbon for each committee they served on. He noted that Commissioner Partington's string of ribbons was about two feet long and Commissioner Partington actually folded them and tucked them in the back. He thanked Ms. Shanahan for her service there, as well. He explained that he thought that one of the reasons it was effective for the city to only send two members of the Commission was that Ms. Shanahan attended everything. He noted that the agenda and information was also available online, as was the presentation he and Ms. Shanahan did. He stated that

their presentation was given to a standing room only crowd and received good questions. He noted that Ms. Shanahan saved him again with her organization. He explained that other individuals spoke well of Ms. Shanahan.

Anderson Price Parking

Mayor Kelley noted that he had previously mentioned the parking issue at the Anderson Price Building. He stated that he had met with the minister of the adjacent church and had a nice conversation. He stated that they came up with some good solutions and he asked the City Manager to continue the dialogue with him. He noted that he had some good thoughts that would be valuable for the Ormond Beach Historical Society, the Anderson Price Building, and the city.

Florida League of Cities Conference

Mayor Kelley stated that Information Technology Director Ned Huhta was also in attendance at FLOC Conference. He explained that Mr. Huhta was asked by the Florida Local Government Information Systems Association (FLGISA) to give a presentation. He noted that Mr. Huhta was President of that organization. He stated that Mr. Huhta did a great job and showed him some different software programs that were available.

Ormond Beach Sunset

Mayor Kelley displayed a photograph of the sunset towards the bridge last night from Rockefeller Gardens at Mr. Marvin Miller's home. He noted that there were no filters on the photograph. He stated that up-lighting on the bridge would be lost with a sunset like that.

Cell Tower Connectivity

Mayor Kelley stated that June 3, 2013, was a date that lived in total frustration for him. He explained that was the day the cell tower proposal was rejected. He noted that he still could not speak on his phone in his home and that phone calls were dropped. He explained that over 6,000,000 landlines had been eliminated in the state of Florida over the last several years, and he would eliminate his if he had cellular service. He stated that he had a meeting with the Ormond Beach Chamber of Commerce and the issue came up from some business people wondering why they could not get cell service at Houligan's or Peach Valley. He explained that his understanding at that meeting was that two years later there would be something better coming along, but in fact nothing had. He noted that it was a safety issue and asked for anyone listening who could get the city a cell tower he would like for it to happen. He stated that the communications ability was needed. He noted that police calls were being dropped, people could not call 911 from within their homes, and that the City Manager could not use her cell phone in her home. He asked that something be done to improve the communication for the city's residents.

Reverend Branch / Veterans

Mayor Kelley noted that Reverend Branch was not in attendance that evening, but he wanted to apologize for comments made during the veterans' discussion at the previous meeting. He explained that he took it personally to Ormond Beach when Reverend Branch expressed that veterans were not taken care of, but he did agree with him that veterans were not receiving fair treatment from the United States Federal Government. He noted that was what he believed Reverend Branch was trying to infer. He stated that more did need to be done for veterans.

Employee Health Care

Mayor Kelley stated that he would share the city's concerns and frustrations regarding health care the following day when he was on a visit with Congressman Ron DeSantis. He noted that he may even be stuck in a van with him so he would certainly have his ear. He stated that Congressman DeSantis opposed the system and had warned what would happen.

Anniversary

Mayor Kelley thanked his wife, Mary Margaret Kelley, for 42 years of marriage, noting that it was his anniversary. He stated that he loved her and the greatest day of his life was their wedding day.

Item #13 – Adjournment

The meeting was adjourned at 8:44 p.m.

APPROVED: September 9, 2015

BY:

Ed Kelley, Mayor

ATTEST:

J. Scott McKee, City Clerk