

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

February 16, 2016

7:00 p.m.

Commission Chambers

Present were: Mayor Ed Kelley, Commissioners James Stowers, Troy Kent, Rick Boehm, and Bill Partington, City Manager Joyce Shanahan, Assistant City Manager and Public Works Director Theodore 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. Proclamation for Judge J. David Walsh

B. Annual Audit Presentation FY 2014-15

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

5. AUDIENCE REMARKS - REGARDING ITEMS NOT ON THE AGENDA

6. APPROVAL OF MINUTES

A. Minutes from City Commission meeting – February 2, 2016

7. COMMUNITY REDEVELOPMENT AGENCY

A. **RESOLUTION NO. 2016-30** : A RESOLUTION OF THE CITY COMMISSION, ALSO ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY, OF THE CITY OF ORMOND BEACH, FLORIDA, AUTHORIZING THE EXECUTION OF A BUILDING IMPROVEMENT GRANT AGREEMENT BETWEEN THE AGENCY AND MDSS, INC.; 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. 2016-30** : A RESOLUTION OF THE CITY COMMISSION, ALSO ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY, OF THE CITY OF ORMOND BEACH, FLORIDA, AUTHORIZING THE EXECUTION OF A BUILDING IMPROVEMENT GRANT AGREEMENT BETWEEN THE AGENCY AND MDSS, INC.; AND SETTING FORTH AN EFFECTIVE DATE.

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

B. **RESOLUTION NO. 2016-25** : A RESOLUTION ACCEPTING A BID FROM FECC, INC. D/B/A FLORIDA ENVIRONMENTAL COMPLIANCE CORPORATION FOR CONSTRUCTION SERVICES FOR THE SODIUM HYPOCHLORITE STORAGE TANK REPLACEMENT PROJECT, UNDER BID NO. 2016-01; AUTHORIZING THE EXECUTION OF A CONTRACT AND PAYMENT THEREFOR; REJECTING ALL OTHER BIDS; AND SETTING FORTH AN EFFECTIVE DATE.

Staff Contact: Dave Ponitz, Utilities Manager (386-676-3305)

- C. **RESOLUTION NO. 2016-31** : A RESOLUTION AUTHORIZING THE EXECUTION OF A WATER, SEWER AND ANNEXATION AGREEMENT BETWEEN THE CITY OF ORMOND BEACH AND MICHAEL A. SCHNEIDERS AND MARIE D SCHNEIDERS FOR PROPERTY LOCATED AT 52 CAPISTRANO DRIVE, ORMOND BEACH, VOLUSIA COUNTY, FLORIDA; PROVIDING FOR RECORDATION; AND SETTING FORTH AN EFFECTIVE DATE.

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

- D. **RESOLUTION NO. 2016-32** : A RESOLUTION AUTHORIZING THE EXECUTION OF A WATER, SEWER AND ANNEXATION AGREEMENT BETWEEN THE CITY OF ORMOND BEACH AND PHILIP HUGH ROUGHTON AND MICA KELLER ROUGHTON FOR PROPERTY LOCATED AT 129 SUNRISE COVE CIRCLE, ORMOND BEACH, VOLUSIA COUNTY, FLORIDA; PROVIDING FOR RECORDATION; AND SETTING FORTH AN EFFECTIVE DATE.

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

- E. **RESOLUTION NO. 2016-33** : A RESOLUTION AUTHORIZING THE EXECUTION OF A WATER, SEWER AND ANNEXATION AGREEMENT BETWEEN THE CITY OF ORMOND BEACH AND STEVEN A. REINERS AND ELINOR I. REINERS FOR PROPERTY LOCATED AT 141 SUNRISE COVE CIRCLE, ORMOND BEACH, VOLUSIA COUNTY, FLORIDA; PROVIDING FOR RECORDATION; AND SETTING FORTH AN EFFECTIVE DATE.

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

- F. **RESOLUTION NO. 2016-34** : A RESOLUTION AUTHORIZING THE EXECUTION OF A WATER, SEWER AND ANNEXATION AGREEMENT BETWEEN THE CITY OF ORMOND BEACH AND JOSEPH F. CONRAD AND DEBORAH A. CONRAD FOR PROPERTY LOCATED AT 150 VIA MADRID DRIVE, ORMOND BEACH, VOLUSIA COUNTY, FLORIDA; PROVIDING FOR RECORDATION; AND SETTING FORTH AN EFFECTIVE DATE.

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

- G. **RESOLUTION NO. 2016-35** : A RESOLUTION AUTHORIZING THE EXECUTION OF A WATER, SEWER AND ANNEXATION AGREEMENT BETWEEN THE CITY OF ORMOND BEACH AND 1368 OCEAN SHORE BLVD, LLC., FOR PROPERTY LOCATED AT 1368 OCEAN SHORE BOULEVARD, 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. 2016-36** : A RESOLUTION AUTHORIZING THE EXECUTION OF AN AMENDMENT AND RESTATEMENT OF GROUND LEASE AGREEMENT BETWEEN THE CITY AND MAC CHARTER, INC. AND SUNRISE AVIATION, INC. FOR THE LEASING OF CERTAIN CITY-OWNED REAL PROPERTY; AND SETTING FORTH AN EFFECTIVE DATE.

Staff Contact: Joe Mannarino, Economic Development Director (386-676-3266)

- I. **RFP IT Strategic Plan**

Staff Contact: Ned Huhta, IT Manager (386-615-7031)

Disposition: Approve as recommended in the City Manager memorandum dated February 16, 2016.

- J. **Budget Status Report for July 2015-September 2015**

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

Disposition: Approve as recommended in the City Manager memorandum dated February 16, 2016.

K. Ormond Beach 2 Go

Staff Contact: *Joyce Shanahan, City Manager (386-676-3200)*

Disposition: Approve as recommended in the City Manager memorandum dated February 16, 2016.

9. FIRST READING OF ORDINANCES

- A. **ORDINANCE NO. 2016-04** : AN ORDINANCE AMENDING CHAPTER 14, OFFENSES MISCELLANEOUS, OF THE CODE OF ORDINANCES OF THE CITY OF ORMOND BEACH, FLORIDA, BY AMENDING SECTION 14-74.01, PURPOSE AND INTENT; SECTION 14- 74.02, DEFINITIONS; SECTION 17-74.04, REGISTRATION OF ABANDONED PROPERTY; SECTION 14-74.05, MAINTENANCE REQUIREMENTS; SECTION 14-74.06, SECURITY REQUIREMENTS; SECTION 14-74.08 ADDITIONAL AUTHORITY; OF ARTICLE V, ABANDONED REAL PROPERTY; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTING ORDINANCES; AND SETTING FORTH AN EFFECTIVE DATE.

Staff Contact: *Chris Mason, Neighborhood Improvement Manager (386-676-3352)*

10. REPORTS, SUGGESTIONS, REQUESTS

11. ADJOURNMENT

Item #1 – Meeting Call to Order

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

Item #2 – Invocation

Pastor John Jayaseelan, Bethel Ministries, gave the invocation.

Item #3 – Pledge of Allegiance

Mayor Kelley led the Pledge of Allegiance.

Item #4A – Proclamation for Judge J. David Walsh

Mayor Kelley stated that Judge J. David Walsh was a United States Navy veteran who served in Vietnam between 1969 and 1971; where he flew more than 150 combat missions as a bombardier-navigator in the A-6 "Intruder" aircraft. He noted that Judge Walsh practiced civil litigation in private practice in Volusia County for 25 years before he was appointed to the bench in 2001 by Governor Jeb Bush. He explained that Judge Walsh presided in the civil and felony divisions in Volusia County from 2001 to 2012, serving twice as chief judge, before taking over the criminal division at the Flagler County Courthouse, hearing criminal, juvenile delinquency and dependency cases at the Kim C. Hammond Justice Center in Bunnell.

Mayor Kelley stated that the great philosopher Socrates said that there are four qualities required of a judge: to hear courteously, to answer wisely, to consider soberly, and to decide impartially. He stated that Judge Walsh had strived to follow the restrictive sentencing guidelines and harsh sentences in place today by imposing sentences that were fair and just, but noted that he truly cherished conducting drug-court graduations where he abandoned his bench and stood shoulder to shoulder with drug-court graduates, congratulating them and handing them back their futures. He stated that Judge Walsh had heard case after case centered on abuse, neglect or drugs, but explained that through the support of his wife, Stephanie, his children, and his horses, he was able to find a balance between his professional and personal life. He noted that Judge Walsh was looking forward to not having to be on a schedule, as he planned to devote more time to reading, writing, and his music in his spare time;.

Mayor Kelley proclaimed February 16, 2016, as a day to recognize Judge J. David Walsh in the City of Ormond Beach and urged all residents to join with him in honoring Judge Walsh for his service and dedication to his profession and the community, and for a job well done.

Judge J. David Walsh stated that he had resided in the Ormond Beach community for 33 years. He stated that he loved it in Ormond Beach and would always remain there. He noted that he had enjoyed working with many of the fine attorneys in the community, including Commissioner Partington and Commissioner Boehm, whom he had known for many years. He thanked the Commission for the nice honor.

Mayor Kelley thanked Judge Walsh for all he had done and singled out his work with the drug court. He stated that it was very important to give individuals a chance to get their lives back from addiction.

Item #4B – Annual Audit Presentation FY 2014-15

Mr. Zach Chalifour, James Moore and Company, thanked city staff, particularly Finance Director Kelly McGuire and Assistant Finance Director Dan Stauffer, for making the audit a seamless process where the auditors could focus on just auditing the numbers and not have to be involved in bookkeeping or additional work. He noted that sometimes they had to undertake additional work on other jobs where the staff was not at the level that Ms. McGuire and Mr. Stauffer were.

Mr. Chalifour stated that five reports were issued each year in the Comprehensive Annual Financial Report (CAFR) and that all of the other documents were prepared by staff. He explained that the first report was the auditors' opinion on the financial statements. He stated that they issued an unmodified opinion that the financial statements were fairly presented, noting that was the best opinion that could be issued. He stated that a single audit was also performed over the city's federal grants. He noted that the city spent enough federal dollars to require additional compliance testing related to those grants. He stated that there were no findings there and a clean opinion was issued relating to the city's grants and compliance. He explained that the audit was also performed in accordance with government auditing standards, which looked at the city's internal control over financial reporting. He noted that there were no comments in that report, as well.

Mr. Chalifour explained that two additional reports were issued as required by the Auditor General. He stated that in the first report and in the report regarding the city's compliance with investment statutes, there were no instances found of non-compliance and another clean report was issued. He noted that there was one small comment made with relation to budgetary compliance, which the auditors had discussed with the Commission. He stated that there were no material weaknesses or significant deficiencies related to the city's internal controls. He reiterated that staff did a great job again.

Mr. Chalifour noted that there were a few reporting changes this year. He stated that one such change was Governmental Accounting Standards Board Statement No. 68 ("GASB 68"), which was a pension standard where the city's unfunded liability would now be recorded. He noted that this was the big change for accounting standards and was the only change in regards to the city's policies and procedures relating to what were recorded and how it was recorded. He explained that this had to be reported as a change in accounting policies. He noted that there was also one major fund reclassification as the Stormwater Fund was now reported as a non-major fund rather than a major fund. He explained that was based on a quantitative analysis based on how significant the fund was relating to other funds that the city had.

Mr. Chalifour stated that the total fund balance for the General Fund as of the end of the fiscal year, September 30, 2015, was just under \$7.4 million. He explained that was broken into categories in the statement. He stated that the first category was non-spendable, which included anything where the funds were already disbursed, such as for inventory or pre-pays. He stated that anything that was restricted had strings attached by an external party and could not be used for any other purpose than was specified when the funds were provided. He stated that the rest of the fund balance was either assigned or unassigned. He explained that assigned was earmarked for a purpose, but the Commission could opt to change at a later date; and the unassigned was essentially un-earmarked funds. He stated that in the Fiscal Year 2015 Budget there was a decrease in Fund Balance of about \$200,000. He explained that there had been favorable variances and it ended up increasing by about \$1.2 million. He noted that revenues were a little bit over budget and franchise fees were over \$200,000 more than had been budgeted for. He noted that the budgeting had been conservative and that those numbers had been hard to predict. He stated that the city was about \$1.5 million

under budget in expenses, primarily due to personnel vacancies and decreasing fuel costs.

Mr. Chalifour referenced GASB 68 and the recording of unfunded pension liability. He stated that with those changes there was a new methodology for the actuaries calculating the unfunded liability. He explained that previously they would take a smooth value of the assets over a four-year period. He explained that the actuaries calculated both ways for the previous year; and using market value under the new methodology, it showed \$26.5 million whereas under the old methodology it showed as \$33 million. He noted that those figures were from the same date but had different methodologies for calculating them. He stated that because the city had great investment returns in 2014, that number looked lower under the new method. He stated that in 2015 the unfunded number was back to \$35 million, primarily because the investment returns and stock market did not do as well towards the end of 2015. He stated that when you looked at the funding of the pension plans and what the city had to budget and contribute, the funding process and calculations had no changes and explained that this was purely from a financial reporting standpoint.

Mr. Chalifour noted that those liabilities were now recorded on the financial statements, stating that previously they were just disclosed in the notes. He stated that he was often asked what that meant. He stated that it was tough to say, but their opinion based on what they had heard was that the ultimate impact would probably be pretty minimal in terms of the users who would look at those numbers, which might include creditors and bonding agencies. He stated that no new information was being reported. He explained that anyone making decisions off of what the city's unfunded liability was would not be looking at new information. He stated that they did not anticipate any changes in their decision making as they were still looking at the same information, just in a different way. He stated that the city's unrestricted net position of governmental activities, which was the first statement in the CAFR, had an unrestricted deficit of about \$17 million. He noted that was about \$7 million over the previous year. He explained that it was solely due to the new liability reporting. He stated that all of the other cities that they had worked with so far had similar issues due to the new standard. He noted that the number could fluctuate substantially.

Mr. Chalifour thanked the city again for the opportunity to work with them and noted that he would be happy to answer any questions from the Commission.

Commissioner Kent thanked City Manager Joyce Shanahan, Ms. McGuire and Mr. Stauffer. He noted that this time of year was a tremendous undertaking for them. He thanked Mr. Chalifour and Mr. Mike Sibley of James Moore and Company for their professionalism and service. He noted that it was great seeing Mr. Chalifour present the audit this year, noting that Mr. Sibley generally did so.

Mayor Kelley echoed Commissioner Kent's comments. He stated that he always looked forward to hearing from the auditors about the great job that staff was doing and noted that the auditors did not have recommendations for staff to change any of their internal procedures. He addressed the pension liability issue, and stated that while all cities might be in the same boat, that boat was sinking. He stated that perhaps with the new requirements more prominently reporting the unfunded liability that would be more of an impetus for change. He noted that the city had worked with their unions in negotiating some changes which they hoped will help.

Commissioner Boehm stated that every one of the city's departments spent less money than they had budgeted, which showed that the management of the city, starting with Ms. Shanahan, closely reviewed their expenditures. He noted that often government was accused of throwing money away and spending frivolously. He stated that it struck him that year in and year out the expenses came in less than what was budgeted for, and that this occurred throughout the city and not just in one department. He stated that all of the department managers should be credited for the work they did to ensure that the revenue that the city received was well spent on behalf of the city. He noted that Ormond Beach still had one of the lowest tax rates in the county and positive variances with their budget. He stated that this was reflective of the city staff working to make sure that the city was well run and run efficiently within their budgets.

Commissioner Partington stated that James Moore and Company was great and he appreciated meeting with them every year. He noted that the Commission was elected by their constituents to solve problems and fix things. He explained that every year the auditors told them that staff had done such a fantastic job that there were no problems

that needed to be addressed. He noted that they were always told that everything was in order and reported timely. He stated that was why the city received the Excellence in Government Audit Reporting award each year. He thanked Ms. McGuire, Mr. Stauffer and Ms. Shanahan for their hard work.

Commissioner Partington addressed the pension issue and noted that they had tried to work over the last decade to have an impact on the situation. He explained that the situation was really created back in the 1990s and before. He noted that Mayor Kelley worked hard back then to limit the impact as much as possible. He explained that it had taken years and years to develop. He stated that it had also taken years and years to try and turn it into something equitable and sustainable for the city's employees. He noted that the federal, state, and other local governments also faced this issue. He explained that because of the collective bargaining situation the city could not do what a private business would do. He noted that as much as the city ran like a business in its efficiency, this was one situation in which there was state law that tied their hands and did not allow them to negotiate on a level playing field. He stated that this was why it took 13 years for them to just make the limited progress that they had made. He noted that it was a lot more cities, but still not enough to solve the problem.

Commissioner Stowers stated that he was glad that the pension liability number was displayed on the financial statements. He noted that he was tired of hearing about horror stories about how the lights would turn out and the city would fall into the river over it. He stated that all cities were in the same boat with the issue and noted that the city was doing everything within its control to try and address it. He thanked staff and James Moore and Company for the report.

Mayor Kelley stated that he believed that the reason that the departments all came in under budget was because every employee took the budget seriously and also knew that if the funds were budgeted for and not spent it did not mean that they would be penalized them in a future budget. He explained that each year the budget basically started from zero and a department would lose the opportunity to have those funds again in a future budget, if they did not spend them in the current year. He noted that some departments in some other cities still functioned in that manner. He thanked Ms. Shanahan, Ms. McGuire, Mr. Stauffer, the department directors and all of the city's employees for their attention to the budget.

Item #5 – Audience Remarks

Mr. Rob Hanson, 8 Raymonde Circle, stated that his family had lived in Ormond Beach since 1956. He explained that he was there that day to talk about his older brother, Darrell Hanson, who was a Vietnam veteran and who he wanted to make sure was honored on the plaque that the city would be creating to honor Vietnam veterans. He provided the Commission a print-out he created detailing information about his brother. He stated that Mr. Darrell Hanson served 22 years and was a B-52 navigator, electronics of war officer, worked for NATO in Belgium, and reached the title of Lieutenant Colonel. He noted that he was very proud of his brother. He explained that he was here that evening because his brother was from Ormond Beach but noted that he presently lived in Atlanta, where his grandchildren lived. He stated that his brother came back and forth to Ormond Beach as he owned property here with him and their other brother. He noted that he visited three or four times a year and stayed about a month each time.

Mr. Hanson stated that he spoke to the Leisure Services Department of the city about the plaque and some issues arose. He noted that their property was in Ormond-by-the-Sea and he knew that was different than Ormond Beach. He stated that it was still Ormond Beach to him and noted that the Ormond Pier and the Ormond Beach water tower had been located in Ormond-by-the-Sea. He noted that the brothers also believed themselves to be Ormond boys and came from Ormond Beach. He stated that it was a matter of personal pride to them to be from Ormond. He noted that the other issue was that he lived in Atlanta, but he still lived here part of the time and as such that should not be a hindrance to him. He stated that he had a couple of recommendations for solutions and noted that he was told that the City Commission had to deal with this issue.

Mayor Kelley stated that the Commission would not decide the issue right then, but he would be happy to meet with Mr. Hanson later to discuss it. He noted that they would not take action at this time.

Mr. Hanson asked if Mayor Kelley would like to hear his suggestions at this time; whereby, Mayor Kelley replied that Mr. Hanson could make them but reiterated that they would not take action on them at this time.

Mr. Hanson stated that all three of the brothers' names were on their Ormond Beach water bill, which was provided by the city. He suggested that perhaps if those who paid for Ormond Beach water could be included. He offered another suggestion of those living in a 32176 or 32174 zip codes being included. He stated that Ormond-by-the-Sea might be a special case. He noted that it was not like they lived in Ponce Inlet or Deland and wanted to be included. He asked for the Commission to consider honoring his brother.

Item #6 – Approval of Minutes

Mayor Kelley advised that the minutes of the February 2, 2016, regular meeting 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 7:32 p.m. and called the CRA meeting to order.

Item #7A – Building Improvement Grant Agreement – MDSS, Inc.

City Clerk Scott McKee read by title only:

RESOLUTION NO. 2016-30
A RESOLUTION OF THE CITY COMMISSION, ALSO ACTING AS THE
COMMUNITY REDEVELOPMENT AGENCY, OF THE CITY OF ORMOND
BEACH, FLORIDA, AUTHORIZING THE EXECUTION OF A BUILDING
IMPROVEMENT GRANT AGREEMENT BETWEEN THE AGENCY AND
MDSS, INC.; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Boehm moved, seconded by Commissioner Partington, for approval of Resolution No. 2016-30, as read by title only.

The motion passed by voice vote.

Mayor Kelley closed the public hearing, adjourned the CRA meeting, and reconvened the City Commission meeting at 7:33 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.

Commissioner Kent moved, seconded by Commissioner Boehm, for approval of the Consent Agenda.

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

Item #9A – Amendment to Abandoned Real Property Ordinance

City Clerk Scott McKee read by title only:

ORDINANCE NO. 2016-04
AN ORDINANCE AMENDING CHAPTER 14, OFFENSES
MISCELLANEOUS, OF THE CODE OF ORDINANCES OF THE CITY OF

ORMOND BEACH, FLORIDA, BY AMENDING SECTION 14-74.01, PURPOSE AND INTENT; SECTION 14- 74.02, DEFINITIONS; SECTION 14-74.04, REGISTRATION OF ABANDONED PROPERTY; SECTION 14-74.05, MAINTENANCE REQUIREMENTS; SECTION 14-74.06, SECURITY REQUIREMENTS; SECTION 14-74.08 ADDITIONAL AUTHORITY; OF ARTICLE V, ABANDONED REAL PROPERTY; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTING ORDINANCES; AND SETTING FORTH AN EFFECTIVE DATE.

Ms. Rita Press, 875 Wilmette Avenue, stated that for the past few years the civic group Citizens for Ormond Beach (CFOB) had been working together with the community and the city to improve the appearance of deteriorating vacant homes. She explained that through this process, many residents in the city went to CFOB's website and would tell them of various homes that they thought were not in compliance. She stated that CFOB would then forward that information to the city. She noted that the service of the city was fantastic and that Ms. Joanne Naumann, the prior Neighborhood Improvement Manager, and Mr. Chris Mason, the current Neighborhood Improvement Manager, always followed through and reported back. She explained that Neighborhood Improvement did not have all of the tools they required to make a difference. She noted that she was thrilled that evening, as was the rest of CFOB, that the city was considering this ordinance which would give Mr. Mason the tools to do a good job. She stated that the city had some hardcore vacant homes, including ones which had been vacant since 2009. She stated that perhaps the next step after this ordinance would be to try to tackle those and she noted that the city might have some suggestions how to address that. She noted that this was a city that listened to its citizens. She stated that when the city worked with the community it was a winning situation for all and results were achieved.

Mayor Kelley called for Ms. Shannon McLeish; whereby, Ms. Elizabeth Myers stated that Ms. McLeish had to leave the meeting.

Ms. Elizabeth Myers, 135 Banyon Drive, stated that she was a member of the CFOB Board and commended the Commission for starting to work on the ordinances for this. She stated that she liked that the bank was more responsible and that more authority was given to the City Manager to remedy some of the problems and billing the bank later. She explained that she thought that the process would make it smoother to get some of the problems with vacant and abandoned homes remedied. She noted that she had a question about the ordinance addressing all vacant homes, including homes where the absentee owner was paying and not quite in default yet, or when they owned the property outright but the property was vacant, or after the foreclosure sale when the bank owned the property but no one was living there. She stated that she wanted to ask if the ordinance applied in all of those situations and if the city had authority to do something about the vacant homes there.

Mr. Randy Hayes, City Attorney, stated that a property that was still under ownership of the property owner was still the obligation of the property owner. He explained that they were trying to capture the time period within which a mortgage company assumed that responsibility. He stated that was the tool that they were trying to provide. He explained that they had not closed the door on the ability to go after the property owner, either before foreclosure or after foreclosure and sale of the property.

Mayor Kelley noted that the City Attorney had to work closely on the ordinance as there were certain legal issues to be worked through, and he noted that certain changes that had been made allowed more flexibility than there would have been ten years prior.

Mr. Hayes agreed. He noted that he needed to give the credit for this ordinance to Deputy City Attorney Ann-Margret Emery, who put a lot of hours into creating it.

Mr. Norman Lane, 1314 Northside Drive, thanked the Commission for considering the ordinance. He stated that he agreed with Ms. Press that this was perhaps a first step. He encouraged the Commission to pass the ordinance.

Commissioner Partington moved, seconded by Commissioner Boehm, for approval of Ordinance No. 2016-04, on first reading, as read by title only.

Commissioner Partington thanked CFOB for their hard work and recommendations to help bring this issue forward. He thanked Ms. Shanahan and staff for coming up with solutions after the Commission had concerns about the mechanics of the process of service. He stated that he thought that the changes would be improvements. He thanked

Mr. Mason and his staff for their efforts. He explained that this was a perfect example of how government could work. He noted that the Commission discussed the issue, citizens' groups came forward, and the city's professional staff worked to come up with good, legal, enforceable solutions. He noted that he would be voting in favor of the ordinance that evening.

Mayor Kelley stated that two days a week the notices would be served in the evening, which he thought would make a difference. He noted that certified mail as well as regular mailing would also be utilized. He stated that they found that there were individuals who did not want to take care of their property and would use every loophole that they could to avoid having to do so. He thanked Ms. Emery and staff for their work. He noted that this ordinance would be for the good of the community.

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

Item #10 – Reports, Suggestions, Requests

FY 2014-15 Audit

Ms. Joyce Shanahan, City Manager, thanked Ms. McGuire and Mr. Stauffer for the work they did on the audit. She explained that 98% of the report issued was comprised of financial statements produced in-house by the city. She noted that in some other local communities the auditors produced those financial statements for them because they did not have the wherewithal to do it themselves. She explained that saved the city money as the audit did not cost as much that way. She stated that James Moore and Company was professional and did an excellent job. She noted that they did not let the city off easily.

Code Enforcement Process

Ms. Shanahan stated that staff had worked hard in the last six months to try and expedite the code enforcement process. She explained that staff had worked with James Moore and Company through their Lean Six Sigma process to lean out the duplicative steps. She noted that Ms. Mason was to be commended for his work on that. She stated that they worked to identify workarounds so that they could meet the statute requirements but also expedite the process. She thanked Ms. Emery for her work on the ordinance. She noted that this was the first step and that it was a community effort with a community solution.

Upcoming Meetings

Ms. Shanahan stated that the Financial Trends Workshop was scheduled for March 1, 2016. She noted that the workshop would be to get direction from the Commission regarding preparing the budget for next year. She stated that they would also be talking strategically about healthcare during the workshop and reviewing healthcare costs. She explained that it was a workshop for the Commission to hold discussion and provide direction. She noted that there would be about six other opportunities for the public to comment during the budget process.

Legal Department

Mr. Hayes stated that there were a lot of projects this year that his department was working with staff on to bring forward. He stated that it would be another busy and exciting year.

Mr. Hanson's Audience Remarks comments

Commissioner Boehm stated that he knew the Commission could not vote on it tonight, but explained that as the Vietnam veteran on the Commission, and having heard Mr. Hanson, he thought that those who were born and raised in Ormond Beach and served in the military during the Vietnam era should be considered for inclusion on the plaque. He stated that he did not think that the happenstance of living in Ormond Beach that day should be the only criteria for recognition. He explained that those who lived and were raised in Ormond Beach and chose to serve their country should be recognized. He noted that it cost very little for the city to include them.

Ormond Beach 2 Go

Commissioner Boehm noted that the Police Department deserved much credit for their community outreach efforts with various programs such as Soda Pop with a Cop,

S.L.A.P., D.A.R.E, and more. He stated that the police were out in the city participating with citizens all of the time. He explained that now Ms. Shanahan was developing Ormond Beach 2 Go. He noted that it was on the Consent Agenda and as such he wanted to highlight it. He stated that it was a pilot effort by the city to expand its community outreach by taking a pop-up City Hall, on a quarterly basis, to different places in the city to reach the residents and have an in-person exchange of information and offer service delivery where businesses and residents live. He stated that some of the services included access to the city's website, paying utility bills, obtaining blue recycling bins, receiving yard sale permits, getting information on volunteer opportunities and employment openings, and receiving information on recreational programs. He stated that he considered this an excellent example of staff and the city reaching out to the community and being in the community. He noted that the first place this would be launched would be at Aberdeen Acres on March 2, 2016.

Taste of Ormond Beach

Commissioner Boehm stated that on February 28, 2016, at 4:30 p.m., Ormond Beach Main Street would be holding an event called Taste of Ormond Beach at Rockefeller Gardens. He noted that 16 restaurants and five pubs were participating in the event. He stated that he hoped all would attend. He stated that seats were still available through purchase from Ormond Beach Main Street. He noted that local restaurants were participating.

Ormond Beach 2 Go

Commissioner Partington gave kudos to Ms. Shanahan for Ormond Beach 2 Go. He stated that he could not think of anything more symbolic of how citizen-oriented the Commission and city staff were. He noted that people often wanted government to be more accessible and Ormond Beach 2 Go was an example of what could be done to show that Ormond Beach was run extremely well and extremely business-minded. He stated that he thought it would be well received by residents. He asked Ms. Shanahan if she could keep the Commission apprised of when the mobile unit would be out in case they wanted to show up at some of them.

Citizen Impact of Agenda Items

Commissioner Partington stated that on the City Manager Memorandum provided for each agenda item there were different sections such as introduction, background, discussion, budget impact and recommendation. He stated that he would like to see a citizen impact section added. He noted that it would not necessarily be applicable for every single agenda item, but where appropriate, it could show that staff had considered the impact of that item on the average citizen. He stated that he had not spoken to Ms. Shanahan about that previously, but noted that he had been thinking about it. He stated that including that in the memorandum would show that the impact to the average citizen had been considered.

Reel in the Fun Fishing Tournament

Commissioner Partington stated that the Reel in the Fun Fishing Tournament would be held on Saturday, February 20, 2016, at 9:30 a.m. He noted that Commissioner Kent was usually the expert on this topic, but explained that this tournament was in Central Park I, which was his home territory. He stated that he would say two things – small hooks and bread. He joked not to tell anyone that he said that. He encouraged those who wanted to participate to call Leisure Services to register and noted that it was free to do so. He stated that at the end of the tournament there were prizes for the children. He noted that it was warming up and the weather should be good.

Casements Voting Precinct

Commissioner Partington stated that Commissioner Kent had previously brought up sending a letter to the Supervisor of Elections regarding returning a voting precinct to The Casements. He explained that he was approached by a resident and asked to re-address the issue. He noted that he believed that a letter had been sent regarding it. He asked if there was a status update.

City Clerk Scott McKee stated that the Supervisor of Elections selection committee did not approve The Casements as a voting precinct location. He noted that they could keep sending letters. He stated that a letter had been sent indicating that it was a Commission priority.

Commissioner Partington stated that he would be like to send another letter. He stated that he would like to send a letter to each candidate running for the office of Supervisor

of Elections once those candidates were determined. He explained that he wanted them to know that this was a priority for them at the request of their residents.

Library's Big Read Program

Commissioner Partington stated that the Volusia County Public Library was celebrating The Big Read that month. He noted that the chosen book was "To Kill a Mockingbird". He stated that they were giving out free copies but did not know if they had any remaining. He explained that it was a great book, a relatively quick read, and an important American novel. He stated that they had held a number of different free, educational events. He stated that February 25, 2016, at 7:00 p.m. there would be a book discussion at The Trails Community Building, located at 201 Main Trail. He noted that he was about halfway through the book.

Nova and Granada Intersection

Commissioner Stowers stated that he drove past the intersection of Granada Boulevard and Nova Road every day. He noted that there was such a difference and it was like a plague had been lifted off of that intersection.

Community Involvement – Agenda Items

Commissioner Stowers noted that he often found that agenda items had similar flows and sometimes when they reached the Commission they were long after they peaked. He stated that he thought about Cheaters and having a packed house and then on the night that litigation ended it was pretty quiet. He noted that he thought about the spring of 2014 when he attended a CFOB meeting at the library where they provided a comprehensive report regarding abandoned and foreclosed properties to a crowd of about 60 to 80 people. He stated that he remembered thinking what a great asset that group was, but he specifically wanted to point out Ms. Press. He noted that Ms. Press was a gem to the community and he wished there were 50 more of her out there. He applauded the work she did. He stated that the result tonight night was progress.

Recognition for Larry Volenec

Commissioner Stowers explained that he wanted to recognize Mr. Larry Volenec. He stated that he had received a call from one of the owners at the Airport Business Park who had some members of his staff trying to call Florida Power and Light regarding some lights not going on in the evening. He stated that he called Mr. Volenec and he followed up with the property owner and called him back and left him a comprehensive voicemail. He noted that today Mr. Volenec followed up with him that the issue was resolved. He stated that he wanted to publicly recognize Mr. Volenec for his great work and professionalism.

Commissioner Kent echoed Commissioner Stowers' positive comments about Mr. Volenec.

City Healthcare

Commissioner Kent stated that he was very pleased that the Commission would soon be discussing healthcare for the City of Ormond Beach. He noted that he was not an expert on healthcare, but he felt that throughout his life he had been becoming an expert on personal relationships, which was what it was all about. He explained that experts were hired to help with healthcare. He noted that he was not raving about the Affordable Care Act, also known as Obamacare, but stated that since it was implemented the city looked at a 30% increase in one year to cover insurance for their employees. He stated that the city had looked at and made some changes that year, noting that there were very few things in the 13 years he had served on the Commission that kept him up at night, but noted that was one of them. He stated that he was not pleased with what was done with the employees' healthcare and he was prepared to think outside the box.

Coffee with Commissioner Kent

Commissioner Kent stated that 13 years ago he started Coffee with Commissioner Kent. He noted that there was a fantastic woman in the audience whom he wanted to publicly thank. He stated that it was her idea. He explained that sometimes 20 people attended that meeting and sometimes just one did. He noted that at his last coffee it was just one and that one was Ms. Sue Parkerson. He stated that all were welcome to come join him the first Monday of the month, from 4:30 p.m. to 5:30 p.m. at his home at 130 Magnolia Drive.

Casements Voting Precinct

Commissioner Kent thanked Commissioner Partington for bringing up the voting precinct location that was lost at The Casements. He noted that there was not a voting precinct

location now south of Granada Boulevard on the barrier island. He stated that this was a decision he thought the Supervisor of Elections made haphazardly and noted that the Commission had asked her to bring it back. He noted that some of those that had requested their precinct locations be restored were successful in doing so but that Ormond Beach was not. He stated that he was pleased that the Commission would stand behind that request again. He agreed with Commissioner Partington's suggestion that each candidate for that position receive the letter so they knew how important the issue was to them. He explained that he had so many elderly constituents tell him that they do not leave the barrier island, and did not cross the bridge. He noted that some may find that outrageous, but it was not to part of the community, who were elderly and did not drive well. He stated that The Casements voting location had been gone for quite some time, and he was ready to get it back.

Movies on the Halifax

Commissioner Kent stated that he loved the Movies of the Halifax. He noted it was a wholesome, free experience for the family. He explained that he was concerned that during the winter months the movies were often cancelled due to weather conditions. He stated that Ms. Shanahan put an idea into his ear and that was that the city had a great field house located in Zone 3. He stated that as a test run next year he thought that they should try and show the movies there in the winter months.

Mr. Hanson's Audience Remarks comments

Commissioner Kent thanked Mr. Hanson for his comments. He asked Mr. Hanson if he was the older or younger brother; whereby he stated that Mr. Hanson had indicated that he was the younger brother. He stated that Mr. Hanson had brightened his day and that no one should have your back like your brother. He encouraged Mr. Hanson to listen to the audio of the meeting online tomorrow and listen to Mr. Hanson's kind words about him. He stated in the materials Mr. Hanson provided it stated that his brother went to Osceola Elementary and Seabreeze High School, and he noted that he had also attended those schools himself. He stated he appreciated Mr. Hanson coming before the Commission and noted that he agreed with Commissioner Boehm's comments. He stated that the Vietnam War was the war in which the country's heroes came home and were not honored. He stated he was not going to let that happen on his watch. He stated that it was an Ormond Beach address, even if it was Ormond-by-the-Sea because Mr. Hanson told people he was from Ormond Beach not Ormond-by-the-Sea.

Mayor Kelley stated that in 1996 the city asked Ormond-by-the-Sea to join Ormond Beach and Ormond-by-the-Sea voted against coming into the city. He explained that it was one thing if someone lived in Ormond Beach and was raised in Ormond Beach. He stated that if he was elected chairman of the Volusia County Council he would see that Ormond-by-the-Sea had Volusia County recognition, noting that he thought that all Vietnam veterans should be recognized. He explained that as the city had done for World War II and the Korean War, the recognition was for Ormond Beach residents. He noted that it was not done that way to slight anyone. He stated that Mr. Hanson did live in Ormond-by-the-Sea. He noted that Commissioner Boehm and Commissioner Kent wanted to accept Ormond-by-the-Sea and explained that he felt if they were going to accept Ormond-by-the-Sea they might as well expand it to anyone who lived in Volusia County that had an Ormond Beach address, whether in an unincorporated area or not. He stated that he did not think that they should do that. He explained that the intent was to recognize those that were residents of Ormond Beach, inside the city limits. He noted that it would be discussed further. He stated that they would have to go back to their other recognitions and add to them as those were restricted to those living in Ormond Beach.

Nova and Granada Intersection

Mayor Kelley stated that he and Commissioner Stowers were two of 28,000 individuals who drove by the intersection of Granada Boulevard and Nova Road every day. He joked that he had received 27,999 compliments on that area improving.

Homelessness

Mayor Kelley stated that at the Volusia County Roundtable of Elected Officials meeting, Daytona Beach City Commissioner Pam Woods gave a great presentation on homelessness. He noted that he felt progress and headway were being made on that issue.

Brian Kelley

Mayor Kelley stated that on Sunday, February 21, 2016, he would be in attendance at the Daytona Beach International Speedway where his son would be performing with his

country music duo Florida Georgia Line. He noted that the Daytona Beach News-Journal did a great article on how much Brian Kelley loved Ormond Beach and how much it meant to him to come back and perform in his hometown.

Item #11 – Adjournment

The meeting was adjourned at 8:13 p.m.

APPROVED: March 1, 2016

BY:

Ed Kelley, Mayor

ATTEST:

J. Scott McKee, City Clerk