

**ORMOND BEACH CITY COMMISSION MEETING
HELD AT CITY HALL COMMISSION CHAMBERS
August 17, 2010 7:00 p.m.**

Present were: Mayor Fred Costello, Commissioner Lori Gillooly, Commissioners Ed Kelley, Troy Kent, and Bill Partington, City Manager Joyce Shanahan, Assistant City Manager Ted MacLeod, City Attorney Randy Hayes, and City Clerk Veronica Patterson.

A G E N D A

- 1) Meeting call to order by Mayor Costello.

- 2) Invocation by Father Comforted Keen, Church of the Holy Child.
- 3) Pledge of Allegiance.
- 4) **PRESENTATIONS:**
 - A) Proclamation in honor of the Ormond Beach Daisy Girls' Soccer Team.
 - B) Palm Coast Holdings presentation.
 - C) "Project Romp" presentation.
- 5) **AUDIENCE REMARKS:**
- 6) **APPROVAL OF THE MINUTES** of the August 4, 2010, meeting.
- 7) **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. 2010-107 reappointing James Price and Bobbi Wood as members to serve as Commissioners of the Ormond Beach Housing Authority; setting forth term and conditions of service.
 - B) Resolution No. 2010-108 approving and authorizing a Flu Shot Program to be administered by the Ormond Beach Fire Department and authorizing the execution of a Flu-Station Program Vaccination Service Agreement between the City of Ormond Beach and Vax Care Corporation. (Fire Chief)
 - C) Resolution No. 2010-109 of the City Commission approving and adopting the Energy Efficiency and Conservation Strategy. (Planning Director)
 - D) Budget results for the FY 2009-10 General Fund and Water/Wastewater Fund.

DISPOSITION: Approve as recommended in City Manager memorandum dated August 12, 2010.
- 8) **DISCUSSION ITEMS:**
 - A) Downtown Plan, Property Improvement Grant, and TIF Increment Reimbursement Programs.
 - B) Implementation of landing fees at the Ormond Beach Municipal Airport.
- 9) **REPORTS, SUGGESTIONS, REQUESTS:** Mayor, City Commission, City Manager, City Attorney.
- 10) **CLOSE THE MEETING.**

Item #1 – Meeting Call to Order

The meeting was called to order by Mayor Costello at 7:00 p.m.

Item #2 – Invocation

The invocation was giving by Mayor Costello.

Item #3 – Pledge of Allegiance

The Pledge of Allegiance was led by Mayor Costello.

Item #4A – Ormond Beach Daisy Girls' Soccer Team

Mayor Costello read a proclamation honoring the Ormond Beach Daisy Girls' Soccer Team for winning the "Girls Under 7 Division" in the national championship tournament, which was announced at the Challenge 3v3 Soccer National Championship Awards Ceremony held at Disney's Wide World of Sports Complex on August 1, 2010. The Mayor reported the Daisy girls trained hard and ran two to three miles, five days a week.

Item #4B – Tomoka Holdings Presentation

Mayor Costello stated in 2006, the City entered into a lease with Tomoka Holdings for a 17-acre parcel of the land at the Ormond Beach Sports Center, worth about \$1 million, with the City paying \$1 a year for the lease, and since adding \$1.4 million in improvements. He recommended everyone go out to the Sports Complex to see the improvements that were made possible by Tomoka Holdings.

Dave Lusby, Tomoka Holdings, stated Tomoka Holdings, the developer of Ormond Crossings, was proud to offer the City a deed to the 17-acre parcel at no charge to the City. He explained the developing of Ormond Crossings would bring lots of higher paying jobs to the City.

Item #4C – “Project Romp” Presentation

Mike Bowen stated Project R.O.M.P. was a non-profit citizens’ effort, created at the suggestion of Commissioner Partington, to update and renovate the Magic Forest Park at Nova Recreation Center. He stated they would be working with The Leather Company, the firm that designed the original playground, and would be seeking input from the local school children as to their vision for the park. He stated the website address for the project was www.ProjectROMP.com which contained a “Citizen/Volunteer Interest” form where anyone could sign up to receive information on how to help financially or by volunteering their time.

Mayor Costello stated that Project R.O.M.P. had a goal to raise \$40,000 for improvements to the park, and the City was going to match any funds raised by the group. The Mayor thanked Commissioner Partington for the suggestion.

Diane Ledford stated Project R.O.M.P. stood for, “restore our Magic Forest Park,” and the group wanted to enlarge the park with today’s children’s wishes included. She stated her daughter, who was two years old at the time, was her inspiration to create the park originally.

Item #5 – Audience Remarks

Amaral Plaza Sign

John Bandorf, 18 Village Drive, stated he wanted to discuss the Amaral Plaza sign issue. He stated Senior Planner Steven Spraker had recommended the merchants request an electronic changeable sign in an August 4 report. He stated a hearing had been scheduled for August 12 before the Planning Board, but the meeting was cancelled three hours before the scheduled time. He stated the merchants would like to know where the issue stood.

City Attorney Randy Hayes stated the property was in a zoning district that allowed only monument signs; and before an electronic changeable sign request could be granted, the City’s code would have to be amended to allow electronic changeable signs.

Mayor Costello stated no one could authorize an electronic changeable sign until electronic changeable signs were in the code, and no one knows if the Planning Board will recommend electronic changeable signs to the Commission, nor whether the Commission will approve the use of electronic changeable signs. He suggested the merchants get together with either Planning Director Ric Goss or Senior Planner Steven Spraker to discuss the possibilities available to them.

Kimberly Van Bandorf, 18 Village Drive, spoke to the Amaral sign issue. She asked the City Attorney why the issue was continued at the Planning Board meeting. She stated that Caffeine’s Restaurant received a special exception for a mural when the code did not contain anything to address murals, and stated Amaral merchants had asked for a special exception to have an electronic changeable sign. She stated that it was her understanding the Commission had asked the Planning Board for a recommendation, and the Planning Board had decided to indefinitely continue a decision on all applications for electronic changeable signs. She asked the Commission to urge the Planning Board to move forward.

Mayor Costello stated he had done everything he could to help, but the code had not changed; the code was exactly the same as when the merchants signed their leases to open their businesses in Amaral Plaza.

Constance Taylor, 18 Village Drive, stated she owned an antique store at Amaral Plaza. She stated that Senior Planner Steve Spraker recommended the merchants request a special exception for an electronic changeable sign, instead of a monument sign. She stated she was spending about \$500 a week in advertising, but newspaper advertising was not going to save her business. She stated people did not know where her business was located, and the

merchants needed signage to let people know where they were. She pleaded with the Commission to do whatever could be done to alleviate their situation.

Mayor Costello stated the Commission was empathic to the merchants' situation, but pointed out that when they moved their businesses into the plaza, six signs were permitted and that had not changed. He stated the City would try to help, but whatever was done was not going to happen overnight; it would take time.

Municipal Airport

Sean Daly, Northbrook, stated a Wall Street Journal article reported that the City Hall and the Police Station in Buena Vista, Virginia, were being foreclosed due to a bond issuance to support a golf course which was not doing well financially. He spoke to the City's budget which he stated was not in bad shape, but he stated the City could not afford to waste even one dollar. He pointed out the proposed budget included a \$332,000 debt owed to the General Fund by the Airport Fund that was being forgiven, because the FAA does not think it should be paid. He asked the issue be carefully considered.

Mayor Costello invited Mr. Daly to submit his written opinion of the FAA letter, to be transmitted to the Commission and staff, as to why he thought the FAA's decision could possibly be appealed.

Item #6 – Approval of the Minutes

Mayor Costello advised the minutes of the August 4, 2010, regular meeting had been sent to the Commission for review and asked for any corrections, additions, or omissions. Mayor Costello stated with no corrections, the minutes stand approved as submitted.

Commissioner Gillooly stated the minutes from a previous meeting (July 20, 2010) contained the name of Rick Fraser, which was misspelled as Rick Frazier.

Mayor Costello stated the scrivener's error would be corrected.

Item #7 – Consent Agenda

Mayor Costello advised the action proposed for each item on the Consent Agenda was so stated on the agenda. He asked if any member of the Commission had questions or wished to discuss any item separately.

Commissioner Kelley moved, seconded by Commissioner Partington, for approval of the Consent Agenda.

Call Vote:	Commissioner Gillooly	Yes
	Commissioner Kent	Yes
	Commissioner Kelley	Yes
	Commissioner Partington	Yes
Carried.	Mayor Costello	Yes

Mayor Costello stated he did not necessarily agree with greenhouse gases and carbon footprints, but he wholehearted supported an energy audit to determine how to use less energy.

Commissioner Gillooly pointed out that Item #7B, the approval of a flu shot program, was not only a community service, but last year the flu shot program netted \$14,700 for the General Fund with no expenses incurred by the City.

Item #8A – Downtown Plan, Property Improvement Grant, and TIF Increment Reimbursement

Commissioner Gillooly clarified to Planning Director Ric Goss that the Commission did not want a reevaluation of the Downtown Plan, but only wanted to ensure the grant funds would not be used for maintenance issues.

Planning Director Goss explained the minutes indicated two things; comments were made with regard to whether the activity was a maintenance activity; and comments were made about the activities being done in the redevelopment plan and the possibility of reviewing the plan. He stated it was only the third year of a five year plan, and the Commission had been provided a summary of all activities in the Downtown, which had already been time consuming. He stated staff did not have time to reanalysis a plan that was already in the process of being implemented.

Commissioner Gillooly stated she agreed with that, and advised no one was questioning the value of the property improvement grant.

Mr. Goss stated he tried to address all the Commission's concerns; one, the plan itself and two, the property improvement grant with possible revisions; and the TIF reimbursement issue, which came from Main Street. He recommended moving forward with implementing the development plan, and in year five of the plan, reviewing the plan for another five years. He stated he would then present ideas, such as multi-module which could be funded through TIF. He reported the property improvement grant had been given to Main Street several months ago to review, and their recommendation was to keep it as a grant. Mr. Goss stated the recommended changes were presented in bold in the memorandum, mainly, that the improvements had to be tied to the plan. He stated the TIF reimbursement was from the Main Street Design and Economic Development Committee; they were considering something to address larger projects, keeping the property improvement grant for small projects. He stated if the Commission was interested in the idea, staff would meet with Main Street to discuss the structuring of the program, and then bring the concept to the Commission. He recommended the guidelines be established before an actual project was presented for approval.

Commissioner Gillooly stated that Main Street was making tremendous progress with the Downtown, and she was supportive of property improvement grants.

Planning Director Goss explained the three recommendations and requested Commission direction.

Commissioner Partington, Commissioner Kent and Commissioner Kelley stated support of all three staff recommendations.

Commissioner Kelley stated the Commission had expressed concern regarding the use of grant funds for what should be maintenance costs rather than larger projects that would generate a real impact on Downtown.

Mayor Costello stated he supported all three staff recommendations, but wanted to focus on parking.

The Planning Director explained that land could be purchased for parking, but it would probably not be in the location where the demand existed. He stated if the synergy could be created, the land for parking would cost a little more, but be much more utilized and effective.

Mayor Costello stated he was suggesting a fund be put aside for a purchase later when it could be determined to be most effective.

Commissioner Gillooly added, for the record, the Downtown included the side streets off Granada Boulevard, and the project for Bailey's Riverbridge Park had been removed from the plan. She stated the City needed to be aware of the standards the citizens desired relative to historic expectations.

Commissioner Kelley stated the master plan was developed in 2005 through many hours of input from the community; and as a plan, it would evolve as the community's views changed, which required review and updating to meet the citizens' wishes.

Mayor Costello stated that until the citizens speak again, they have spoken as to what they wanted.

Item #8B – Landing Fees at the Municipal Airport

Sean Daly, Northbrook, stated he never intended to become an expert on the airport, and his involvement had come out of the noise abatement issue which arose due to the massive increase in use of the airport in the last five years. He stated most of that use was due to users from out of our area who should contribute to the financial support of the airport through landing fees. He stated local citizens paid taxes, as well as fees, for City services such as sports teams and other events, even a fee for going to the beach. He stated local taxpayers subsidized the airport whether they used it or not; therefore, the people from out of the area who used the airport should pay to use it. He stated the airport ran at a deficit of \$203,000 for the last five years, while no interest had accrued or attempt to repay the debt to the City. He stated even FAA contended airports should pay for themselves. He stated there was an assertion that in four or five years the airport would repay the debt, but he stated no one could give him documentation as to how that would happen. He pointed out the airport did not have a reserve

fund. He suggested the issue should go to the Aviation Advisory Board (AAB) to consider how the debt would be paid to the City.

Mayor Costello stated landing fees were an issue and repayment of debt was another issue. He stated he understood the sale and lease of additional lands would allow the airport to be self-sustaining. He pointed out that a 14 year tenant was leasing a parcel of land that was discovered to be in the buffer zone; a correction had since been made, with the City absorbing the expense. He stated the airport was nearing the ability to sustain itself.

Airport Manager Steven Lichliter confirmed that to be correct, with the new businesses in the southeast quad bringing in more lease revenue. He stated with the addition of a new fuel farm there would be additional fuel flowage fees, providing further revenues.

Mayor Costello stated everyone agreed with Mr. Daly that the airport should take care of itself, but he did not agree with Mr. Daly's issue that people outside the City should pay for the use. He explained that people outside of the City used the roads but did not pay the transportation taxes that built and maintained those roads.

Commissioner Partington asked Finance Director Kelly McGuire to explain how the airport would pay for itself. He stated that landing fees resulted from the noise abatement discussions, although the FAA stated the airport was ineligible due to the criteria for landing fees for noise abatement.

Mayor Costello stated that went back to Mr. Daly's suggestion that the issue go to the AAB, which the Mayor supported.

Finance Director McGuire stated one of the primary issues, and the reason there was currently a deficit, was the Airport Fund was paying, via a loan from the General Fund, for matching funds for the capital projects. She reported there were no further capital projects over the next five years, which allowed the revenues over the next five years to repay the loan from the General Fund in lieu of matching funds for capital improvement projects.

Commissioner Gillooly asked if there was a specific plan or projection based on the leases and the anticipated revenues.

Ms. McGuire stated there was not a preliminary five year budget, but that could be done. She explained revenues were anticipated for the next five years, and staff had reviewed the Capital Improvement Projects plan to consider the matching funds anticipated, which provided a good picture of the budgetary requirements for the next four to five years.

Commissioner Gillooly requested Ms. McGuire provide a written plan to the Commission and Mr. Daly regarding the next five years for the airport.

Ms. McGuire stated that given there was a five year capital improvement plan, which was generally the major costs relative to the airport; a projected five year plan could be provided to the Commission and Mr. Daly within 30 days.

Commissioner Kelley stated when you decrease expenditures and increase your revenues, it was pretty easy to see that it would pay out, which was what was being done.

Commissioner Gillooly asked Airport Manager Steven Lichliter if the FAA would entertain the idea of creating revenue through landing fees to make the airport solvent.

Mr. Lichliter stated a landing fee could not be instituted for the purpose of creating additional revenue. He explained the need for a landing fee would have to be demonstrated as necessary to meet financial obligations, which as Ms. McGuire stated would be cost matching for federal and state subsidies for the airport.

Commissioner Gillooly stated it would have been better to have the funds come from the Airport Fund, rather than the General Fund. She stated Mr. Daly raised some valid questions and asked if the Budget Advisory Board had considered this issue. She suggested, due to the deficit for several years, there might be an argument to be made for a landing fee, even short-term. She asked Mr. Lichliter to confirm the landing fees would have to be charged to everyone.

Mr. Lichliter stated that any fees must be applied in a non-discriminatory manner.

Commissioner Gillooly stated that maybe there was legal way to apply fees across the board with tenants' receiving a credit toward their rent for the landing fees. She stated the temporary

landing fee would allow the airport to gain solvency and start to build a reserve fund for such expenditures as matching funds.

Mr. Lichliter explained the first problem would be collecting the landing fees because it was logistically a very difficult problem to tackle and might even ultimately cause the program to extinguish itself because it would probably cost as much to follow and assess the fees as it would generate in revenue. He stated there were other issues to consider which were difficult for a small aviation airport to address.

Commissioner Gillooly asked if there was a way to identify aircraft landing at the airport.

Mr. Lichliter stated it was not possible because most of the aircraft operating at the airport were flight training aircraft operating under visual flight rules, which meant the transponder in each aircraft was indistinguishable electronically from other aircraft. He stated there would need to be an electronic system to identify aircraft, or use a vendor to collect fees while receiving a portion of the collections, with an initial expenditure by the airport for the necessary infrastructure, which was generally not advisable for small airports from a cost standpoint.

Mayor Costello suggested sending the issue to the Aviation Advisory Board for their recommendation. He stated the leases could be renegotiated to include a landing fee which would cover a certain number of landings. He expressed a neutral view on the issue of landing fees, and he suggested the Ormond Crossings development would create an economic advantage for the airport. The Mayor stated the Commission supported a review by the Aviation Advisory Board for options.

City Manager Shanahan requested specifically if the Commission was requesting the AAB to consider landing fees generally or asking them to prepare recommendations for landing fees.

Mayor Costello stated he would like a recommendation regarding whether to charge landing fees or not.

City Manager Shanahan explained that whether or not to charge landing fees was one question; and if landing fees were desired, how to administer landing fees was another issue.

Commissioner Kent stated the report suggested it was not feasible to collect landing fees, therefore, questioned sending the issue to the AAB. He stated he was comfortable with the staff recommendation.

Commissioner Kelley stated the staff report was very detailed, and he supported the staff recommendation.

Commissioner Gillooly asked what it would take to determine what a vendor would charge.

Mayor Costello stated he did not require that information until it was determined that landing fees would be charged, and he did not even want to go that in depth at this point.

Commissioner Gillooly stated that information would be part of her decision as to charge landing fees or not.

Commissioner Partington agreed with Commissioner Kent; that based on the staff report, he did not see a need to go forward with landing fees.

Mayor Costello summarized that three Commissioners opposed going further regarding landing fees, which concluded the discussion.

Item #9 - Reports, Suggestions, Requests

Project R.O.M.P.

Commissioner Kent expressed kudos to Commissioner Partington regarding the "Project R.O.M.P. and Commissioner Partington's efforts to get the project started.

Commissioner Kelley thanked Commissioner Partington for promoting Project R.O.M.P. He stated he had worked on the park in 1993 when it was started; and it was wonderful that 17 years later Commissioner Partington was working on upgrading the park.

Commissioner Partington stated it was exciting for him to be a part of the citizens' effort to spruce up the park. He credited his wife and daughters for pointing out to him that the park was in need of improvements, which motivated him, and he encouraged everyone to attend the

meetings and give input. He explained the committee was polling school children to determine what they would like at the park.

Tomoka Holdings

Commissioner Kent stated Tomoka Holdings' \$1 million gift was very impressive and suggested sending a letter thanking them for being such a great partner with the City.

Commissioner Kelley suggested a plaque or sign posted at the triangle showing the parcel had been contributed by Tomoka Holdings.

Mayor Costello suggested a monument could be used to display the City's appreciation.

Florida League of Cities Annual Conference

Commissioner Kelley stated he was leaving for the Florida League of Cities conference, and would be celebrating his 37th wedding anniversary on the way down.

Commissioner Partington thanked Commissioner Kelley for attending the Florida League of Cities conference to represent the City.

Movies on the Halifax

Commissioner Partington stated staff did a great job with the Movies on the Halifax, "E.T.", where Reese's pieces were provided for everyone. He reminded that "National Treasure" would be shown on September 3.

Amaral Plaza Sign

Commissioner Gillooly recognized that it was a difficult situation regarding the Amaral Plaza merchants. She stated that at the Planning Board meeting, the City Attorney was very professional and compassionate in handling the situation with the merchants, and she thanked him. She expressed appreciation for small business owners' situation and suggested the City could provide information for the business owners regarding possible options for business support in the community.

City Manager Shanahan stated Economic Development Manager Joe Mannarino would contact the business owners at Amaral Plaza to discuss promotional options with them.

Mayor Costello stated he was not at the Planning Board meeting, but the City Attorney was always gracious; it was hard to be when people were attacking. He stated he was proud to serve with all of the people on the dais.

Curtis Motor

Commissioner Gillooly stated the History Channel show "American Pickers" was about two guys in an old van who travel the country visiting people with various collections; and they had visited a man with an old motorcycle which they purchased; and the experts said it was a Curtis motor from Ormond Beach, Florida, giving the City recognition. She stated they doubled their money with that purchase.

Millage Rate

City Manager Shanahan reminded the Commission that the next meeting was September 7, which would be the first budget hearing when the millage rate would be set, and the September 21 meeting would be the second hearing.

Jackie Burke

City Manager Shanahan wished Jackie Burke a happy birthday.

Item #10 – Close the Meeting

The meeting was adjourned at 8:27 p.m.

APPROVED: _____ September 7, 2010

BY: _____
Fred Costello, Mayor

ATTEST:

Veronica Patterson, City Clerk