

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

February 20, 2007

7:00 p.m.

Present were: Mayor Fred Costello, Lori Gillooly, Troy Kent, Ed Kelley, and Bill Partington, City Manager Isaac Turner, Assistant City Manager Ted MacLeod, City Attorney Randal Hayes, and City Clerk Veronica Patterson.

A G E N D A

- 1) Meeting call to order by Mayor Costello.
- 2) Invocation.
- 3) Pledge of Allegiance.
- 4) **AUDIENCE REMARKS:**
- 5) **APPROVAL OF THE MINUTES** of the February 6, 2007, meeting.
- 6) **PRESENTATION:** Comprehensive Annual Financial Report for the fiscal year ended September 30, 2006 (Annual Report).
- 7) **INTERGOVERNMENTAL REPORTS:**
 - A) Metropolitan Planning Organization
 - B) Volusia Council of Governments
 - C) Water Authority of Volusia
- 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. 2007-13 urging members of the Florida Legislature to support certain issues during the 2007 legislative session.
 - B) Resolution No. 2007-14 authorizing the execution of a Second Amendment to the Impact Fee Reimbursement and Joint Participation Agreement between the City and The Tuscan, LLC, relative to sanitary sewer service extension along State Road 40 near "The Tuscany" subdivision, by increasing the City's portion of the contract price by \$5,602.14.
 - C) Resolution No. 2007-15 authorizing the execution of a Utility Work Agreement between the City and Florida Department of Transportation regarding the relocation of City of Ormond Beach utilities relative to the installation of new signal master arms at the intersection of US1 and Hand Avenue. (\$25,000)
 - D) Resolution No. 2007-16 authorizing the execution of a Local Agency Program Agreement between the City of Ormond Beach and the Florida Department of Transportation regarding the development and completion of an Interchange Justification Report for a proposed collector-distributor system located at the interchange of I-95 and US1.
 - E) Approval of FY 2007-08 budget calendar.

DISPOSITION: Approve as recommended in City Manager memorandum dated February 15, 2007.
 - F) Request to close Riverside Drive for the Multi-Cultural Festival, "Unity in Our Community," on Saturday, March 31, 2007.

DISPOSITION: Approve as recommended in City Manager memorandum dated February 15, 2007.

9) **PUBLIC HEARINGS:**

- A) Ordinance No. 2007-03 authorizing the execution and issuance of a First Amended Development Order for “1425 Hand Avenue Centre” Planned Business Development by authorizing a waiver of the fence requirement along 440 linear feet of the rear (north) property line; by allowing the natural vegetation buffer that exists; providing for restoration of the fence line if the natural vegetation buffer is ever decimated for any reason; ratifying and affirming the development order approved by Ordinance No. 2005-63; establishing conditions and expiration of approval. (Second Reading)
- B) Ordinance No. 2007-04 amending Subsection A, Zoning Map and Zoning District, of Article I, Establishment of Zoning Districts and Official Zoning Map, of the *Land Development Code*, by amending the Official Zoning Map to rezone a 12.48-acre parcel of real property from B-8 (Commercial) to PBD (Planned Business Development), said real property being located on the west side of US1 and north of Nova Road (SR5A); establishing boundaries; authorizing revision of Official Zoning Map; approving a Development Order for “Root Commerce Park,” Planned Business Development; repealing all inconsistent ordinances or parts thereof. (Second Reading)

10) **FIRST READING OF ORDINANCE** No. 2007-05 of the City of Ormond Beach, Florida, amending Article III, Firefighters’ Pension Trust Fund, of Chapter 16, Pensions and Retirement, of the Code of Ordinances; amending Section 16-40, Definitions, by amending the definition of “average final compensation”; amending Section 16-45, Benefit Amounts and Eligibility; amending Section 16-47, Disability; adding a new Section 1-69, BAC-DROP.

11) **RESOLUTIONS:**

- A) Resolution No. 2007-17 establishing an Attainable Housing Task Force; establishing purpose, function and duties; establishing terms and conditions for membership.
- B) Resolution No. 2007-18 appointing members to serve on the Attainable Housing Task Force; appointing at-large members; setting forth terms and conditions of service.

12) **DISCUSSION ITEM:** Ormond Beach Radio Control Airplane Club.

13) **REPORTS, SUGGESTIONS, REQUESTS:** Mayor, City Commission, City Manager, City Attorney.

14) **CLOSE THE MEETING.**

Item #1 - Call to Order

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

Item #2 - Invocation

Deputy Mayor Kelley gave the invocation.

Item #3 - Pledge of Allegiance

Mayor Costello led in the Pledge of Allegiance.

Item #4 - Audience Remarks

Croquet Club

Mr. David Tweedie, 156 Coquina Key Drive, requested the City Commission to consider establishing a croquet court on The Casements property. He advised approximately 150 people attended a Croquet Day at The Casements, and 84 people expressed interest in establishing a Croquet Club. Mr. Tweedie explained a croquet court was 105 feet by 85 feet, and club members could pay for the right to play and any equipment needed.

Mayor Costello asked Mr. Tweedie to keep in contact with Ms. Siobhan Daly, Cultural Center Coordinator, who would keep the Commission informed.

Deficiencies on Amsden Road

Mr. Jeff Boyle, 614 North Halifax Drive, provided copies of a memo that was presented to the City on October 11, 2004, asking for help with road deficiencies on Amsden Road and provided

a photo array from property at 106, 114, and 122 Amsden Road showing the problems. He advised it was now 28 months later and no corrections had been made and no timetable provided as to when a remedy may occur. Mr. Boyle explained the deficiencies cited were created during a stormwater correction project where the City spent almost \$1 million beginning in November 2003. He stated the damaged Miami curbing at the northwest corner of North Halifax Drive and Amsden Road still does not function. Mr. Boyle stated the City should obtain the right contractors and provide adequate oversight. He questioned if there was a remedy scheduled for this road, and if so, when was it scheduled.

Mayor Costello requested staff to provide an answer in the Friday letter.

Reimbursement for Legal Expenses

Mr. Charles Carter, 212 Arlington Way, presented a letter requesting the City meet with his attorney regarding reimbursement for legal actions.

Mayor Costello asked Mr. Carter to have his attorney contact Mr. Hayes who could then update the Commission.

Fluoridation

Mr. Jim Schultz, 117 Harvard Drive, stated Holly Hill indicated it may be a good idea to send a letter to parents or caregivers of infants alerting them to the American Dental Association policy on fluoridated water for infants. He reported 35 medical professionals sent a letter to the State Department of Health in Oregon requesting a requirement for water departments in Oregon to send warnings with each water bill. Mr. Schultz noted parents of babies were generally unaware of the issue that fluoridated water should not be mixed with infant formula. He noted baby formula manufacturers were reluctant to place a warning on their labels. Mr. Schultz pointed out that his concern was not just with water, but overall fluoride ingestion.

Mayor Costello stated the issue was a matter of concentration similar to penicillin where an infant should not be getting the same dosage as an adult.

Item #5 - Approval of Minutes

Mayor Costello advised the minutes of the January 16, 2006, meeting have been sent to the Commissioners for review and asked if there were any corrections, additions, or omissions.

Commissioner Gillooly reported the minutes reflected on page 15682 that she commended the Leisure Services Department and Ms. Siobhan Daly; however, she also acknowledged Mr. Dan Smith and the Racing Heritage Association volunteers, and she requested that acknowledgement be included in the minutes.

Hearing no further comments, Mayor Costello stated that the minutes were approved as amended.

Runway Extension

Mr. Louis Lumaghi, 1 Cliffside Drive, stated in 1988 a City Commission approved an Airport Master Plan that included the future extension of the east/west and north/south runways. He noted in subsequent years the Commission rejected such projects several times, but in 2004 it approved the extension of the north/south runway (Runway 17/35) to enable the airport to handle corporate jets. Mr. Lumaghi stated after petitions were signed, the Commission dropped the extension of the runway and assured the residents that the extension of the runway was a "dead" issue; however, only three months later at a 20/20 forum the public was informed that extension of the north/south runway was an important part of the planning for Ormond Crossings. He reported the extension was still "alive" as witnessed by the recent clearing of the run-up area and the tree-cutting at the south end along with the thirty year lease to Sunside Aviation. Mr. Lumaghi cautioned many more problems await the City as long as this Commission continues to pursue runway extensions. He noted eliminating the possibility of extensions may cause the City to pay back grant money to the FAA, but he warned the election would be coming and voters would not forget what had occurred.

Mayor Costello stated the tree cutting had nothing to do with any runway extension in that it was part of mandatory FAA sightline clearing; the Sunrise lease extension had nothing to do with runway extensions; and there was absolutely no plan, discussion, or support for any runway extension.

Commissioner Kelley stated this was merely an effort to make something out of an issue at election time that had been dead and cannot be resurrected. He reported he took an oath to kill this issue, and he did so. Commissioner Kelley pointed out there was no funding from the FAA

for a runway extension. He advised this was a comment made by an individual taken out of context.

Boy Scout Troop 413

Mayor Costello acknowledged the members of Boy Scout Troop 413 who were in attendance.

Item #6 - Comprehensive Annual Financial Report

Mayor Costello recognized Senior Accountant and Budget Analyst Mr. Dan Stauffer, Principal GIS Technician Mr. Steve Johnson, and GIS Technician Mr. Eric Dickens for their assistance in complying with new infrastructure identification requirements of Governmental Accounting Standards Board (GASB) 34. He noted Ormond Beach did this job in house while many other cities sent the job out to be done, and Ormond Beach did the job a year early. Mayor Costello thanked Mr. Lane and Ms. McGuire and their team for all they had done.

Ms. Suzanne Forbes, CPA, Managing Partner of James Moore & Company, presented the annual Comprehensive Annual Financial Report (CAFR) for the period ending September 30, 2006. She stated Ormond Beach earned the “unqualified opinion” designation, which was the highest opinion that could be given where the financial statements were in accordance with all of the accounting and reporting standards. Ms. Forbes advised this level was performed with the highest level of standards. She stated the Management Discussion and Analysis found on page 25 to 36 of the report provided a good summary of the entire report.

Ms. Forbes reported the total fund balance was \$6,627,000, and the restricted funds that could not be spent were \$779,000. She noted the Airport fund balance was \$712,000 in the prior year, and the City advanced \$550,000; therefore, remaining in the general fund was \$162,000 designated to fund the airport. Ms. Forbes reported the unreserved fund balance was \$5,686,000. She reported the fund balance was 16.5% last year and 17.7% this year, which was well above the goal the Commission set of holding at least 12% of the expenditures. Ms. Forbes explained the City budgeted to spend \$652,000 of the fund balance, but actually added \$893,000, creating a positive variance of \$1,545,000. She noted most of the positive variance was due to increases in assessments, but the expenditures were also less than budgeted throughout all departments.

Ms. Forbes stated the funding ratios for the pension funds were improving. She noted the self-insurance fund had a deficit of \$378,000 last year and it increased \$155,000 this year, but the City had a funding process to replenish those funds. Ms. Forbes explained it was difficult to know what the claims and liability would be, but it was something to be aware of. She noted a special report had to be made on this, but no reportable conditions or instances of noncompliance were reported on the tested grant funds. She advised there was one reportable condition to improve the financial reporting process, which dealt with self-insurance where a third party administrator would be used. Ms. Forbes reported it was difficult to improve the reconciliation process when using an outside party to tie them back to the City’s ledgers. She stated the Auditor General required a report be submitted any time there were fund deficits, and the City had four funds with deficits; but there was nothing alarming in that they were all budgeted, planned, and expected to be replenished.

Ms. Forbes stated comments were made regarding the actuary report to fine tune this new process. She reported minor recommendations were made regarding accounts payable, vendors, and invoices. Ms. Forbes clarified that all recommendations had to be in writing. She advised the City implemented the infrastructure requirements of Governmental Accounting Standards Board (GASB) 34 a year early, which was a massive job. Ms. Forbes stated this added \$32 million worth of assets government wide in roads and drainage that cannot be spent. She clarified this was acquired before 2001 and after 1980.

Ms. Forbes advised there were 37 schedules of trends reported. She noted staff had gone above and beyond to provide information other cities do not provide.

Commissioner Kelley reported the Commission set a reserve of 15%.

Mayor Costello clarified 12% was the floor.

Commissioner Kelley stated the City did a good job of securing emergency funds that may be needed.

Ms. Forbes stated fund balances have crept up in governments because of some of the emergencies. She noted it was great to see the Commission take this step.

Mayor Costello stated the City paid \$3 to \$4 million to clean up after hurricanes and received all but \$1 million from FEMA. He asked if it would be possible to provide the Management Discussion and Analysis Report to people interested in the budget to avoid them having to study the entire report. Mayor Costello noted if the citizen wanted more information, they could always check the City's website. He stated the Airport Fund was a loan, and it would be paid back; whereby, Ms. Forbes explained that was definitely shown as a loan. Mayor Costello questioned if Ormond Beach was handling the self-insurance deficit as other cities were or if there was a better method.

Ms. Forbes noted it was not unusual to see a deficit in self-insurance because this was a future liability being paid out over many years. She noted there was no cash shortage in this fund and that she was comfortable with this fund.

Mr. Isaac Turner, City Manager, stated that was a potential liability and different methods were discussed. He noted something would be brought to the Commission as part of the budget process.

Mayor Costello asked if there was a plan to correct the third party administrator situation.

Ms. Forbes noted there was a management response indicating a plan was already developed.

Mayor Costello explained the City spent a half million dollars less than budgeted and took in slightly more than anticipated, which gave a fund balance that would allow the City to be more aggressive regarding not raising taxes, which would help during budget time.

Item #7(A) Metropolitan Planning Organizations and Item #7(B) Volusia Council of Governments

Mayor Costello reported there was nothing new to report relative to the Metropolitan Planning Organization (MPO) and the Volusia Council of Governments (VCOG).

Item #7(C) - Water Authority of Volusia

Commissioner Kelley stated there was a meeting scheduled for the Water Authority of Volusia (WAV) tomorrow. He noted he would probably not have anything significant to report before the March 21 meeting.

Item #8 - Consent Agenda

Mayor Costello advised that 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 one or more of the items separately.

Mayor Costello stated that Item No. 8(D) was being withdrawn at staff's request.

Commissioner Kelley moved, seconded by Commissioner Kent, for approval of the Consent Agenda, minus Item No. 8(D).

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

Item #8(E) - FY 2007-08 Budget Calendar

Mayor Costello recommended some of the budget meetings be held in the City Commission Chambers rather than in the training room to accommodate more people early in the budget process.

Item #9(A) - First Amended Development Order for "1425 Hand Avenue Centre"

ORDINANCE NO. 2007-03
AN ORDINANCE AUTHORIZING THE EXECUTION AND ISSUANCE OF A FIRST AMENDED DEVELOPMENT ORDER FOR "1425 HAND AVENUE CENTRE" PLANNED BUSINESS DEVELOPMENT BY AUTHORIZING A WAIVER OF THE FENCE REQUIREMENT ALONG 440 LINEAR FEET OF THE REAR (NORTH) PROPERTY LINE; BY ALLOWING THE NATURAL

VEGETATION BUFFER THAT EXISTS; PROVIDING FOR RESTORATION OF THE FENCE LINE IF THE NATURAL VEGETATION BUFFER IS EVER DECIMATED FOR ANY REASON; RATIFYING AND AFFIRMING THE DEVELOPMENT ORDER APPROVED BY ORDINANCE NO. 2005-63; ESTABLISHING CONDITIONS AND EXPIRATION OF APPROVAL; AND SETTING FORTH AN EFFECTIVE DATE.

Mayor Costello read an e-mail he received from Ms. Connie Colby who spoke at the last meeting. He stated Ms. Colby and Mr. Holub met, and the issues concerning Ms. Colby were resolved to her satisfaction. Mayor Costello noted Ms. Colby indicated Mr. Holub was very accommodating. He advised that Ms. Colby had thanked Commissioner Gillooly for bringing up the issue of possible future vagrancy problems behind the buildings as the potential does exist, but indicated that, hopefully, it would not be a problem.

Commissioner Kelley moved, seconded by Commissioner Gillooly, to approve Ordinance No. 2007-03, on second reading, as read by title only.

Commissioner Gillooly reported she mentioned the vagrancy issue because it was a concern noted at the Planning Board meeting. She asked if this would be addressed in the ordinance.

Mr. Randal Hayes, City Attorney, stated his recollection was that no changes would be made to the development order because that issue would be discussed tonight in that the applicant was not present at the last meeting. He noted this was a nebulous condition that would be difficult to fold into a development order, but he would attempt to do so should the Commission instruct him in that manner.

Commissioner Gillooly stated the applicant was very cooperative and addressed Ms. Colby's concerns, but she wanted assurance the vagrancy issue was addressed.

Commissioner Kelley stated this site backed up to a storage area for recreational vehicles, and no home was visible to this area. He reported any vagrant would have to scale down into a creek, climb up a 20-foot wall, and scale a six foot fence to access the recreational vehicle storage compound; therefore, he did not perceive a problem. Commissioner Kelley noted if a problem should arise, it could be addressed at that time.

Commissioner Gillooly noted the applicant had indicated he would address this issue. She noted she only brought it up because it was mentioned at the Planning Board meeting.

Mayor Costello noted he was comfortable with this ordinance as stated.

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

Hearing no objection, Mayor Costello closed the public hearing on Item #9(A).

Item #9(B) – “Root Commerce Park”

ORDINANCE NO. 2007-04
AN ORDINANCE AMENDING SUBSECTION A, ZONING MAP, SECTION 2-03, OFFICIAL ZONING MAP AND ZONING DISTRICT, OF ARTICLE I, ESTABLISHMENT OF ZONING DISTRICTS AND OFFICIAL ZONING MAP, OF THE *LAND DEVELOPMENT CODE*, BY AMENDING THE OFFICIAL ZONING MAP TO REZONE A 12.48-ACRE PARCEL OF REAL PROPERTY FROM B-8 (COMMERCIAL) TO PBD (PLANNED BUSINESS DEVELOPMENT), SAID REAL PROPERTY BEING LOCATED ON THE WEST SIDE OF US1 AND NORTH OF NOVA ROAD AND EAST OF FLORIDA EAST COAST RAILROAD; ESTABLISHING BOUNDARIES; AUTHORIZING REVISION OF OFFICIAL ZONING MAP; APPROVING A DEVELOPMENT ORDER FOR “ROOT COMMERCE PARK,” PLANNED BUSINESS DEVELOPMENT; ESTABLISHING CONDITIONS; AUTHORIZING THE REMOVAL OF ONE HISTORIC TREE; AUTHORIZING A WAIVER FOR THE REQUIRED PLANTINGS

AGAINST THE FENCE ALONG THE REAR OF THE PROPERTY;
REPEALING ALL INCONSISTENT ORDINANCES OR PARTS
THEREOF; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Gillooly, to approve Ordinance No. 2007-04, on second reading, as read by title only.

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

Hearing no objection, Mayor Costello closed the public hearing on Item #9(B).

Item #10 - Amending Firefighters' Pension Trust Fund

ORDINANCE NO. 2007-05

AN ORDINANCE OF THE CITY OF ORMOND BEACH, FLORIDA, AMENDING ARTICLE III, FIREFIGHTERS' PENSION TRUST FUND, OF CHAPTER 16, PENSIONS AND RETIREMENT, OF THE CODE OF ORDINANCES; AMENDING SECTION 16-40, DEFINITIONS, BY AMENDING THE DEFINITION OF "AVERAGE FINAL COMPENSATION"; AMENDING SECTION 16-45, BENEFIT AMOUNTS AND ELIGIBILITY; AMENDING SECTION 16-47, DISABILITY; ADDING A NEW SECTION 1-69, BAC-DROP; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.

Mayor Costello advised he would allow comment before a motion because he did not want the Commission to make a motion for a particular option before hearing from the audience.

Mr. Brad Heinrichs, actuary with Foster and Foster representing the Firefighters Pension Board, stated there were excess State dollars designated to help fund a firefighter benefit improvement. He reported the membership requested an improvement of their retirement pay from a 2.97% of pay time service multiplier to a 3.14% multiplier. Mr. Heinrichs advised that by State statute the State money can only be used to help fund a pension improvement, and that improvement must be approved by the membership. He stated this proposal was to place the \$296,000 of excess State dollars as a down payment toward a benefit improvement and use future State dollars to help pay for this benefit. Mr. Heinrichs explained the City can use up to \$213,000 of the State money received to help offset their contribution requirement, and the extra money over the \$213,000 was set aside to help fund benefit improvements. He reported the true cost of this benefit improvement was \$296,000 up front plus \$55,000 a year; however, since there were excess State dollars, the City would be allowed to use all of the State money to help offset their contribution requirement, and the City would have no cost impact at all. Mr. Heinrichs stated if the State dollars received each year remained the same, the benefit improvement proposed would result in a \$1,580 per year increase in contribution from the City. He explained if the State dollars received were \$1,580 above what was obtained last year, there would be no impact at all to the City. Mr. Heinrichs advised if the dollars were less, the City would have to make up the difference.

Mr. Heinrichs advised that from 1985 to the present the actual State dollars received were: \$24,000, \$29,000, \$37,000, \$42,000, \$47,000, \$57,000, \$63,000, \$74,000, \$81,000, \$82,000, \$89,000, \$93,000, \$95,000, \$146,000, \$143,000, \$185,000, \$218,000, \$192,000, \$220,000, \$251,000, \$197,000, and last year \$311,000. He stated historically the dollars tended to increase every year. Mr. Heinrichs reiterated the union voted on this benefit improvement.

Mr. Ken Harrison, stated he was an attorney representing the fire union and over 65 pension boards across Florida. He reported that these funds can only be used to fund additional benefits for the firefighters. Mr. Harrison noted the firefighters were polled; the actuary projected the benefit to cost; and the Commission should move forward on this. He reported if this money was not spent, it would show as a liability to the City because the use was limited. Mr. Harrison advised the probability of the State money decreasing was minimal. He stated if the City should annex as they were considering, this would have a positive impact.

Mayor Costello stated there were four potential motions: 1) move as requested by the Board of Trustees; 2) move to go to the 3.14% with the members being liable for any shortfall; 3) move to approve the share plan where the Commission would go toward a defined contribution plan rather than the defined benefit plan allowing the funds to go into a separate fund that would benefit the firefighters, but there would never be a shortfall; and 4) move to increase the multiplier for future years. He noted while the firefighters would have to approve a proposal, the Commission would have to approve the funding.

Mr. Paul Lane, Finance Director, clarified that the only thing that can be approved tonight was what was before the Commission. He reported if anything else was selected, it would have to go back to the pension board and through the union before it could be brought back to the Commission.

Commissioner Gillooly reported the key was counting on the fact that the same amount of money would come back to the City though this excise tax every year. She stated considering the creative ways the legislature was trying to lower insurance rates, she questioned if they may consider a lower percentage on the excise tax. Commissioner Gillooly advised it was not known what would occur in the future, and she had to rely on what was known regarding funding a liability for the City. She recommended this go back to the membership, and they consider the development of the share plan.

Commissioner Kent asked Mr. Lane his opinion regarding the likelihood of the trend increasing.

Mr. Lane stated the long-term trend was positive, but it may be reduced in the short term due to the insurance situation. He noted there was no guarantee it would remain at \$268,000.

Commissioner Kelley stated this money comes from a 1.8% tax the insurance companies pay to provide insurance coverage. He noted if the insurance rates do not go down, there would be protests in Tallahassee; therefore, the likelihood this would drop was very good. Commissioner Kelley stated this was another example of the State mandating something in 1997 where they set a baseline indicating the City could no longer use those funds to offset the City's contribution above a certain percent. He questioned why the City should not be allowed to use the excess funds the insurance companies are paid to provide insurance to offset the expense as opposed to enhancing an already very lucrative pension plan. Commissioner Kelley stated this would place an unknown liability on the citizens, and he could not support it.

Commissioner Partington moved, seconded by Commissioner Kelley, to approve the staff recommendation.

Commissioner Gillooly stated she understood this motion referred to Option 2 with the future risk of funding to the membership, but the share plan would not be considered until some time in the future. She pointed out the City already set a policy where this would conflict.

Commissioner Partington clarified Option 2 was a request that the Board of Trustees amend the proposed ordinance increasing the credited service percentage to 3.14% so that the future funding risk for the benefit improvements proposed would be assumed by the members. He noted a revised ordinance would have to be submitted to the firefighters' union for approval. Commissioner Partington reported also included in his motion was that for any future increases in excise tax revenue, the trustees would prepare a share plan that was defined contribution in nature as is noted in Option 3.

Mr. Lane advised that the procedure for that action would be to deny this motion, and it would then go back to the trustees.

Mr. Hayes advised the Commission could do as Mr. Lane recommended or they could vote on their position from a consensus point of view to send it back to the board for further review with the understanding that the Commission would have taken no action on the ordinance as presented, and they would not take any final or binding action other than the Commission's request that the board consider its position.

Commissioner Kelley withdrew his second.

Commissioner Partington withdrew his motion.

Commissioner Partington moved, seconded by Commissioner Kent, to approve a policy direction which would include the entirety of staff's recommendation including Option 2 and Option 3 for consideration by the board and the union members.

Mayor Costello stated he favored the share plan, which he considered consistent with the Commission's discussion in going to a defined contribution plan where the firefighters would be provided 100% of the funds, but the City would not be liable for any shortfall. He clarified the motion was to not do anything with this ordinance tonight, but to send it back with a recommendation. Mayor Costello stated the Commission would have to consider approval of anything that would be brought back to the Commission.

Commissioner Gillooly stated her interpretation of Commissioner Partington's motion was to send back both options. She recommended sending an unambiguous message to the membership as to what the consensus may be on the Commission to make the process more efficient.

Mayor Costello noted the motion was quite specific that the money would be used for the 3.14% enhancement with the firefighters being liable for the shortfall and any future enhancements would be in the share program.

Call Vote:	Commissioner Partington	yes
	Commissioner Gillooly	no
	Commissioner Kent	yes
	Commissioner Kelley	no
Failed.	Mayor Costello	no

Commissioner Kelley moved, seconded by Commissioner Gillooly, to encourage the trustees and membership to consider the entire excess would be used as a share program.

Mr. Harrison stated the Commission had a matter before them that required an action. He stated what they were doing was collective bargaining.

Mayor Costello stated this was not collective bargaining. He noted the Commission was sending a recommendation and then could decide to vote the motion up or down. Mayor Costello reported the City Attorney advised an up or down motion did not have to occur tonight, and no action could be taken; however, if Mr. Hayes wanted the Commission to take action, if it was not in harmony with the recommendation, it could be voted down.

Mr. Harrison advised he considered this entire discussion inappropriate noting the ordinance should be vote up or down.

Mr. Hayes stated the action can be no action with a recommendation for the board to consider additional options before the Commission would take action on the ordinance. He explained the Commission did not need to take action on this ordinance this evening. Mr. Hayes advised the Commission was attempting to find a compromise to recommend to the board an option to consider, which was well within their purview.

Mayor Costello stated Mr. Harrison's point was well taken, and if necessary, the Commission could vote to continue this motion and then send a recommendation. He noted there was a motion on the floor and the Commission would vote on that motion at this time.

Call Vote:	Commissioner Gillooly	yes
	Commissioner Kent	no
	Commissioner Kelley	yes
	Commissioner Partington	yes
Carried.	Mayor Costello	yes

Mayor Costello asked Mr. Hayes if he would be more comfortable if the Commission voted to continue the ordinance to a time when they receive input from the firefighters.

Mr. Hayes stated a motion could be made to continue for an indefinite period of time until the board brings back another recommendation.

Commissioner Kelley moved, Commissioner Gillooly seconded, to continue for an indefinite period of time until the board brings back another recommendation.

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

Item #11(A) - Establishing an Attainable Housing Task Force

RESOLUTION NO. 2007-17

A RESOLUTION ESTABLISHING AN ATTAINABLE HOUSING TASK FORCE; ESTABLISHING PURPOSE, FUNCTION AND DUTIES; ESTABLISHING TERMS AND CONDITIONS FOR MEMBERSHIP; AND SETTING FORTH AN EFFECTIVE DATE.

Commissioner Kelley moved, seconded by Commissioner Gillooly, to approve Resolution No. 2007-17, as read by title only.

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

Item #11(B) - Appointing Members to Serve on the Attainable Housing Task Force

RESOLUTION NO. 2007-18

A RESOLUTION APPOINTING MEMBERS TO SERVE ON THE ATTAINABLE HOUSING TASK FORCE; APPOINTING AT-LARGE MEMBERS; SETTING FORTH TERMS AND CONDITIONS OF SERVICE; AND SETTING FORTH AN EFFECTIVE DATE.

Mayor Costello stated he agreed with the first seven names in the resolution. He recommended three more names be provided and then a motion be made to approve the recommended members.

Commissioner Partington recommended nominating Mr. John Nutting who was experienced in attainable housing by his serving on committees in Vermont and by now serving on the Northeast Florida Manufactured Homeowners Association.

Commissioner Gillooly stated she believed it was important to have a builder on the task force. She reported a gentleman spoke at the first workshop, but she was unaware of his name.

Mr. Ervin identified the speaker as Mr. Bob Pralle of Pralle Construction, but noted he had not been contacted regarding membership on the task force.

Mayor Costello stated he supported Mr. Ed Flanagan and Ms. Maria Lanier, but would recommend appointing the eight nominees and adding two more members later. He agreed a builder was important to the board. Mayor Costello recommended bringing names back at the next meeting. He stated another option was to allow the appointed members to determine who else was needed.

Commissioner Partington agreed with the eight nominations and expressed appreciation to Commissioner Gillooly for recommending Mr. Pralle. He stated Mr. Pralle made an impression on him as someone who had good ideas, and he cared enough to come to the meeting.

Mayor Costello noted he agreed that Mr. Pralle was a good choice, but he was not yet asked if he would be willing to serve in this capacity.

Mr. Ervin stated this was a task force so there was no State mandate as to the number of members. He reported even if a person was not an official task force member, they could be notified of the meetings to enable them to participate. Mr. Ervin urged the Commission not to be concerned about appointing the full contingency tonight as long as a core group was available.

Mayor Costello stated he would prefer to add Mr. Flanagan and Ms. Lanier and allow the board to have more than ten members, but he was trying to stay within the ten member limit discussed. He reiterated the members could decide who else should be appointed. Mayor Costello urged inviting Mr. Flanagan and Ms. Lanier to attend the meetings.

Commissioner Gillooly stated she tried to find nonprofit providers other than Halifax Habitat for Humanity, and spoke to the Director of Mid Florida Housing, Ms. Fran Gordon. She noted Ms. Gordon does not live in Ormond Beach, but she intended to attend the meetings and be a resource for the board, as do other nonprofit housing providers.

Commissioner Kelley moved, seconded by Commissioner Gillooly, to approve the eight names provided.

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

Item #12 - Ormond Beach Radio Control Airplane Club

Mr. David Abee, Leisure Services Director, stated this issue was prompted by a resident at the Trails Subdivision who expressed concern about the noise, the proximity of the planes to homes, and the hours of operation in the lease initiated in September 2004 to the Ormond Beach Radio Control Airplane Club. He stated a meeting was arranged at the Nova landfill with the president of the Ormond Beach Radio Control Airplane Club, Mr. Clifford Norris, Assistant City Manager Mr. Ted MacLeod, the concerned resident Mr. Chris Scali, and him attending. Mr. Abee advised Mr. Norris presented an overview of the club and then went back to the radio club to try to find resolutions to Mr. Scali's concerns. He stated Mr. Norris returned with a proposal taking some immediate actions such as limiting the hours of operations, the number of fuel model airplanes being limited with the emphasis on quieter electric powered planes, and a willingness to comply with any noise ordinances. Mr. Abee advised these proposals were forwarded to Mr. Scali who indicated that there was no compromise possible; therefore, Mr. Abee was asking the Commission for direction.

Commissioner Kelley noted there were people wishing to speak on this issue. He reported he met with Mr. Scali to discuss his concerns and requested he be permitted to speak.

Mayor Costello stated he would allow all five people who turned in cards to speak. He asked that a short video presentation taken from Mr. Scali's back yard depicting the sounds of the airplanes be played at this point; whereby, the video was shown.

Commissioner Kelley stated there was a section of the video not shown tonight that was taken from inside the house where the sounds could still be heard. He reported this was started as a good idea to utilize the facility, but this activity adversely impacts the neighbors. Commissioner Kelley noted these planes were flying outside of the designated leased airspace, and noise as well as safety was issues of concern.

Mr. Chris Scali, 6 Navaho Trail, thanked Mr. MacLeod, Mr. Abee, Commissioner Kelley, and Mayor Costello for their assistance and concern in this matter. He stated this was a quiet neighborhood, and he and his neighbors want that neighborhood back. Mr. Scali deemed the radio club to be too noisy and too close to the homes to be allowed to continue. He questioned if flying over the houses was a breach of the club's lease. Mr. Scali pointed out the video was taken after the meeting where the residents' concerns had already been voiced. He noted there are noise ordinances in Ormond Beach. Mr. Scali reported this \$1 per year lease was granted without notification or input from the residents living in the area. He stated there were four other airplane clubs in Florida, but none are near residential areas. Mr. Scali reported the DeLand Club was located at the airport. He stated the residents can not accept promises to not over fly the homes, to fly limited numbers or types of aircraft, or limited hours because it was shown that the club members cannot adhere to their own rules.

Mayor Costello asked Mr. Hayes if it would be a breach of the lease if the planes were flying outside of the zone.

Mr. Hayes stated it may be, but the zone would need to be determined. He advised the City did not need a "for cause" reason to terminate the lease. Mr. Hayes reported the Commission could terminate the lease for no cause, but a 60-day notice would be necessary. He stated he could not indicate if this would be a breach of the lease or not.

Mr. Clifford Norris, 4 Katrinas Drive, stated the club made an attempt to reach a compromise. He explained that regarding flying over houses, he believed it may have occurred on relatively isolated incidents, and some were not club members. Mr. Norris reported the club fully intended to fully educate its member to fly within the limits of the field as defined in the lease agreement and to test every fuel powered airplane to be certain its noise level was within the constraints of the club's parent organization. He state the club has already shortened its hours significantly. He pointed out that this was the first noise complaint they had since 2004. Mr. Norris stated the only reason for this issue now that he could imagine was that they have enthusiastic new club

members, and the field was in greater use; but he reiterated they would be educating all of the members.

Mayor Costello asked if the planes could be confiscated if they fly over the homes.

Mr. Hayes stated he would not recommend confiscating personal property.

Commissioner Partington reported he would like to know the true impact of the noise factor. He asked if the sound was measured by the police to enforce the City's noise ordinance.

Mr. Abee reported the police did not measure the noise in the area.

Commissioner Partington reported from hearing the tape, the sound seemed extreme, but he would prefer to have actual measurements. He advised he was not prepared to terminate the lease tonight. Commissioner Partington recommended the possibility of installing a coded lock on the gate where only the members would have access or possibly prohibit gas powered engines, favoring the electric engines. He stated he would need the answers to these questions before he could terminate the lease; however, if the Commission would terminate the lease, he recommended the Commission work with the County to find an alternate location for the club.

Mayor Costello asked if the Commission needed to vote to terminate the lease to enact the 60-day notice or could the Commission put the club on notice for 60 days at which time they could terminate the lease without notice.

Mr. Hayes stated the lease required a 60-days notice of intention to terminate the lease.

Mayor Costello questioned that if the club was provided with the 60-day notice tonight and a compromise could be reached, if the lease must be terminated at the end of the 60 days.

Mr. Hayes noted he believed the Commission would have some flexibility.

Commissioner Gillooly agreed with Mayor Costello's recommendation that this concern of the residents must be addressed; however, the attitude and demeanor of Mr. Norris and the club members was very indicative of their concern for the residents, and they were trying to be accommodating. She questioned why the club could not move to the northern location. Commissioner Gillooly concurred that more information needed to be forthcoming to be fair to all parties. She agreed to place the club on notice for 60 days with the intent to terminate the lease if certain conditions were not met.

Commissioner Gillooly moved, seconded by Commissioner Kelley, to terminate the lease in 60 days if certain conditions were not met.

Mr. Hayes stated he would assume part of that motion was to direct staff to provide written notification of the intent to terminate the lease; whereby, Commissioner Gillooly and Commissioner Kelley concurred with Mr. Hayes' addition to the motion.

Commissioner Kelley stated the difficult issue was that those flying the planes were not in visual contact with the airplanes. He urged the Commission to consider how they would react if the noise demonstrated on the video were at their homes, and safety was another serious issues. Commissioner Kelley noted even if the noise level would be allowable through the model airplane requirements it would still exceed City standards.

Commissioner Kent stated he was very empathetic toward the club and agreed with Commissioner Partington to encourage the City to work with the County to find another location. He reported he totally agreed with Commissioner Kelley that it would be very upsetting if these planes were flying over anyone's house. Commissioner Kent advised the video was very telling and was a great piece of evidence as to what the residents were being subjected to; therefore, he hoped to help this club find another home. He stated this seemed to be good for all concerned when it was approved, and there were no complaints until recently; but the issue must be addressed.

Commissioner Gillooly pointed out staff did extensive research to find a location, but the search was unsuccessful. She noted she may be hesitant to involve a great deal of staff time on trying to find another site, but she would encourage the club to find another site.

Mr. Hayes advised there were two agreements (one for the use of the property and the other an access agreement), and the termination letter would apply to both agreements.

Mayor Costello stated the Commission would probably allow the club to remain if they had the support from the neighbors. He noted he would have supported the planes being confiscated, but the City Attorney did not believe that to be acceptable. Mayor Costello urged staff to find out more about the club at the DeLand Airport. He noted it would seem the FAA would not permit such a conflict; but if it was permissible, it could be a consideration. Mayor Costello stated this motion was to terminate the lease in 60 days, but the Commission would not have to exercise that termination if the Commission decided not to do so.

Mr. Norris stated he would be willing to go to all electric planes that are essentially silent.

Mayor Costello stated that was a huge step, and he urged the club to work with the residents within the next 60 days to make it work.

Commissioner Kent stated with Mr. Norris' offer he was hesitant to place the 60-day notice of termination on the club. He urged Mr. Norris and Mr. Scali to meet and try to come up with a compromise.

Mayor Costello stated in 60 days if the two sides were close to a settlement, the Commission could provide another 30-day extension. He reported he did not see a negative to the 60-day notice in that the termination did not have to occur.

Commissioner Kelley stated that if a compromise was reached it would have to be added into the lease agreement.

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

Mayor Costello urged Mr. Scali to work with the club and fairly assess if electric planes are quieter and to also consider any other alternative such as the padlock on the gate in order to come to an agreement, if at all possible.

Item #13 - Reports, Suggestions, Requests

John Anderson Drive Improvements Meeting

Commissioner Gillooly stated a meeting was held last week regarding improvements to John Anderson Drive, and it was very well attended by residents. She commended staff for doing a good job in presenting options, explaining this was a goal set by a previous Commission, and encouraging the give and take that occurred by the citizens. Commissioner Gillooly advised there was a great concern to keep as many trees as possible as well as an overwhelming concern regarding safety. She explained the residents generally did not favor the concept of removing more than 150 trees to create a standardized sidewalk, and they believed bike paths would only add to speeding issues rather than being a benefit for bikers. She reported the residents recommended considering a meandering sidewalk to preserve trees. Commissioner Gillooly advised this type of town meeting was very beneficial to the community.

Deficiencies on Amsden Road

Commissioner Gillooly stated this was the first time the issue Mr. Boyle mentioned regarding Amsden Road was brought to her attention. She noted in that this was in her zone, she would be happy to research the issue with City staff. Commissioner Gillooly advised there was a similar issue on the mainland side of Zone 1, and staff was very receptive, and the matter was subsequently corrected.

Goal Session

Commissioner Gillooly stated the goal session last night went well. She expressed appreciation to the Mayor and Commission of their interest in affordable/attainable housing because this was a very important issue for residents for low income to moderate income and even professionals. Commissioner Gillooly stated another important goal was the upcoming budget sessions. She explained the chambers were full in the two public hearings to set the millage, but it was important to involve people in the early stages of the budget review. Commissioner Gillooly reported for that reason, advertising these budget meetings was important, and the meetings should be held in the chambers to accommodate the citizens, encouraging them to attend from the beginning of the budget process.

Comprehensive Annual Financial Report

Commissioner Gillooly thanked Mr. Lane and his staff for the audit, information, and savings the City was able to realize by doing the work in house.

Invocation

Commissioner Kent thanked Commissioner Kelley for his invocation.

Girl Scout Troop Tour

Commissioner Kent thanked Support Services Director Mr. Tom Lipps and City Clerk Veronica Patterson for the time they gave to the Girl Scout troop that toured City Hall. He reported Ms. Patterson provided minutes from the very first City Commission meeting, which were written in long hand and which he was unaware existed.

Sound System

Commissioner Kent stated blackberries were going off affecting the sound system. He urged Mr. Turner to take care of that situation.

Healing

Commissioner Kent noted a great deal has recently been articulated regarding the healing that needed to take place in the aftermath of the contentious high rise issue that had divided the City. He pointed out it was the citizens who sued the City for the right to have an election. Commissioner Kent stated the citizens won in court, and overwhelmingly won at the polls. He urged that mistakes he admitted and it be made right with the citizens. Commissioner Kent explained that whatever side the Commission supported in the debate was now irrelevant because the people spoke at the election and the Commission must respect that decision just as the Commission expects the citizens to respect the decisions the Commission makes. He recommended the Commission show leadership in the healing process; however, after reading local newspapers and listening to radio talk shows he was not certain the Commission was demonstrating a desire for healing when there was talk of new referendum elections regarding height issues. Commissioner Kent reiterated the people spoke, and the Commission must accept their decision. He advised he recently learned a motion was filed in the Seventh Circuit Court by the plaintiff in the CAN DO suit to recover the fees and costs of their litigation with the City. Commissioner Kent pointed out the attorney representing the City in this matter was no longer available due to his appointment as director of the Department of Community Affairs.

Commissioner Kent asked what should be done to heal the City: settle all of the CAN DO fees and costs or litigate against the citizens again. He requested the matter of how to heal the City and the citizens cost of litigation be placed on an upcoming agenda for a public discussion and, possibly, action by the Commission.

Commissioner Kelley stated he believed anything dealing with litigation should be done in a shade meeting with the City Attorney.

Blackberry

Commissioner Kelley stated he did not have his blackberry with him to avoid it interfering with the sound system. He noted he never witnessed a Commission member having their blackberries visible at a meeting.

John Anderson Drive Meeting

Commissioner Kelley stated he purposely stayed away from the John Anderson Drive meeting because he was certain Commissioner Gillooly would attend, and with members of the Commission in attendance it may make it uncomfortable for Commissioner Gillooly to speak. He noted the Commission was provided three options last year.

Fluoride

Commissioner Kelley reported it was not a good example to follow the State of Oregon on the secular progressives regarding their action on fluoride.

Property Taxes

Commissioner Kelley reported he would like to give his statement, not representing the Commission, but his personal opinion on property taxes. He stated the continued shifting of property tax annually of \$10 billion a year from homestead and "Save Our Homes" to other individuals would cause the destruction of Florida if no action was taken. Commissioner Kelley noted if the proposal of doubling homestead exemptions and creating portability were enacted, the problem would become worse. He questioned where the extra \$2 billion worth of homestead dollars would come from if the exemption were to be doubled. Commissioner Kelley stated there was a simple action to solve the federal tax problem called "fair tax" that would eliminate the Internal Revenue Service and save Medicare and Social Security, but it would not

actually occur because the politicians would not allow it to occur. He explained that is the same way the people would be forced by the State into a property tax situation that would be “unlivable.” Commissioner Kelley reported politicians can not keep up the “band aide” approach on a serious problem in that it just would not work. He noted the “Save Our Homes” may even be illegal. Commissioner Kelley reported by eliminating “Save Our Homes” and reexamining the homestead, portability would not be an issue and anyone wishing to downsize from a more expensive house to a less expensive house would not have to worry about selling their house and going to that less expensive house paying twice the taxes. He advised those who really needed it could save their homes. Commissioner Kelley reiterated that anytime he speaks on this issue he would explain that these are his personal views, not that of an Ormond Beach Commission.

Goal Setting Meeting

Mr. Turner stated the Commission met last night to set their goals, which were as follows: affordable/attainable housing, beach access/beach parking; maintaining and reducing the tax rate; providing more publicity and urging more residents to participate earlier in the budget process; enhancing communications; finding a method to build another access road to the airport off Pineland Road; and Ormond Crossings. He stated these would be brought back to the Commission in about a month.

Community Budget Requests

Mr. Turner reported Representative Pat Patterson called this afternoon to inform him the community budget requests where communities could ask for funding for a specific project would not be considered this year due to the revenue shortfalls at the State. He noted Ormond Beach had requested funding for sewer services for Hidden Hills, and those funds would not be forthcoming this year.

Tallahassee Trip

Mr. Turner stated the City’s legislative analysts have requested that a couple of Commission members go to Tallahassee to speak to State legislators to discuss the property tax issue. He reported to date Mayor Costello and Commissioner Kelley were planning to go in early March. Mr. Turner advised this would be brought to the Commission on a future agenda. He advised he would be sending the Commission articles regarding the property tax issue and an excerpted and highlighted portion of the \$800,000 study.

Ormond Crossings

Mr. Turner stated every community wanted to attract high caliber, high quality companies with decent wages, and one of the best ways to get that message out was to talk to the people who are hired to help companies select places to relocate. He noted Ormond Beach had not been in the position to participate in that market due to lack of space and quality of development required; however, with Ormond Crossings coming on line, the City was coming close to having the 1,000 acres of office/industrial space, which would be the largest such space between Jacksonville and Orlando. Mr. Turner advised Ormond Crossings would be high caliber and high quality, and he was grateful that better working relationships were forged between Ormond Beach and the Business Development Partnership, Daytona Beach, Volusia County, and the various Chamber of Commerce organizations. He reported four site selection firms were represented at a breakfast in Ormond Beach on Saturday. Mr. Turner noted several Commission members, members of the Chamber of Commerce, and Economic Development Director Mr. Joe Mannarino were in attendance. He noted Mr. Mannarino had a wonderful presentation for the City; Mayor Costello made a presentation; and the Chamber of Commerce president made a presentation. Mr. Turner reported Ormond Beach made a very positive first step with these groups. He advised other site selection companies would be coming soon. Mr. Turner stated he wanted Ormond Beach be the site of choice. He explained this was a significant step for the City of Ormond Beach.

Shade Meeting

Mr. Hayes reported to comply with statutory requirements he was publicly informing the Commission there would be a shade meeting regarding litigation matters, particularly the Price, Burton, and Potter matters. He advised the meeting was scheduled for March 6.

Charter Litigation

Mr. Hayes stated regarding the Charter litigation, the only item he was aware of was a motion for the taxation of court costs, not attorney’s fees. He advised this was a clean-up issue and not unusual. Mr. Hayes reported court costs would probably be nominal. He stated what was probably being requested was for the City to pay for Mr. Carter’s attorney’s fee. Mr. Hayes explained the benchmark for this was whether there was a contractual or a statutory basis upon which to request these fees and, in this case, there was no statutory basis for Mr. Carter to recover fees in this type of litigation matter, which was why there was no motion seeking

attorneys' fees. He noted this would not preclude Mr. Carter from asking the Commission to reimburse his fees. Mr. Hayes stated he had not been sent a request or demand from Mr. Carter's attorney requesting fees. He advised the orders staff received from this Commission were to file an action to seek clarification on some of the issues and Mr. Carter filed this action before that could occur, which he did not need to do. Mr. Hayes stated the issues were resolved in favor of the citizens with respect to the Charter issue, but it was a separate issue as to whether or not there was a basis on which Mr. Carter could recover fees from the City.

John Anderson Drive Meeting

Mayor Costello stated he understood the John Anderson Drive meeting was a great meeting where all parties showed respect for each other. He recommended considering a plan that was not before the Commission previously, which was a meandering sidewalk on whichever side would save the most trees. Mayor Costello noted he asked staff to include that as an additional option as a response to what occurred at that meeting.

Firefighters' Pension Enhancement

Mayor Costello stated he wanted to make certain the firefighters remember that each Commission member voted for something where they would receive 100% of the benefit of the State dollars. He reported he personally favored a defined contribution plan rather than a defined benefit plan, and this was a time to initiate that plan. Mayor Costello explained the Commission's stance on this matter did not mean they were not fully supporting the firefighters. He recommended asking the State to change law established in 1997 that was a cost shift from the State to the local government that indicates that these funds must go into enhancements. Mayor Costello questioned why the funds could not go to fund the pension plan, which would lower property taxes because the City would not have to come up with the differential in the dollars. He noted other communities were in the same situation as Ormond Beach.

Economic Development Meeting

Mayor Costello stated he received a great e-mail from someone attending the economic development meeting with the site selectors indicating Ormond Beach set the bar so high that no one for the rest of the day could follow it. He stated that made him very proud.

Ormond Crossings

Mayor Costello stated he attended various meetings and seminars and was informed that Mr. David Lusby and other representatives from Tomoka Holdings would attend the next meeting from the Urban Land Institute on Sustainable Green Development in Orlando. He noted Mr. Lusby also attended the last meeting on "Cool Cities" regarding green development, and he provided Mr. Turner information regarding that issue. He stated he was hopeful this would come before the Commission in the next month or so for consideration. Mayor Costello stated he was excited Ormond Beach had the opportunity to work with a developer who was willing to make the Ormond Crossings development exemplary, with items such as solar panels on all buildings, cisterns for water, rain gardens for stormwater drainage, and other environmentally friendly development processes.

Committee Meetings

Mayor Costello stated on February 22 Senator Mike Haridopolos' committee would be at Valencia, and Senator Evelyn Lynn's public hearing was at the Applied Technology Center on February 28. He explained he would be in Orlando honoring Thomas Pelham as the new Department of Community Affairs Director the night of February 28 thus unable to attend. Mayor Costello noted he believed it to be important that Commission members attend these meetings to inform them that the Commission supported home rule, allowing the residents to determine who would be voted in or out as determined by the stewardship the Commission member had with their tax dollars. He reported he articulated personal views at previous meetings regarding his support for significant tax reform. Mayor Costello noted he supported property tax limitation, not budget limitation.

Referendums

Mayor Costello stated he knew nothing about new referendum elections other than to clean up the 75-foot grandfathering issue and those types of issues, which he articulated at previous meetings and continued to believe were appropriate. He reported he believed there were issues that could be addressed to minimize the City's potential with future lawsuits. Mayor Costello expressed frustration that newspaper headlines do not reflect what was said. He explained people have questioned him regarding a *Hometown News* article. Mayor Costello reported when asked whether he believed he did the right thing by espousing a position he thought was best, his reply was that he did believe he did the right thing; but he never said that was the right thing because the residents decided something else was right. He noted that was a huge difference from him continuing to say that he was right and insinuating everyone else

was wrong. Mayor Costello stated he truly believed the community would have been better off in the future with a different outcome, but he was doing everything possible to help the residents accomplish what they asked for. He noted he would provide the e-mail where the reporter asked questions and he responded, and the article was derived from that response. Mayor Costello advised he did not consider the article to be reflective of his responses. He explained the quotes were correct, but the sense of the piece made it seem that he was right and everyone else was wrong, which was certainly not his intent at all. Mayor Costello reported he would not state he did the wrong thing by trying to find something that would benefit the community, and he would do it again because it was the Mayor's and Commission's job to do everything possible to make Ormond Beach a better place.

Item #14 - Close the Meeting

The meeting was adjourned at 9:32 p.m.

APPROVED: March 6, 2007

BY: Fred Costello, Mayor

ATTEST:

Veronica Patterson, City Clerk