

CITY OF PALM BAY, FLORIDA

SPECIAL COUNCIL MEETING 2020-29

Held on Wednesday, the 9th day of September 2020, at the City Hall Council Chambers, 120 Malabar Road, SE, Palm Bay, Florida.

This meeting was properly noticed pursuant to law; the minutes are on file in the Office of the City Clerk, City Hall, Palm Bay, Florida.

Pursuant to Section 286.011, Florida Statutes, and Executive Order 20-69, this public meeting was conducted via communications media technology (teleconference/video conference).

The meeting was called to order at the hour of 6:00 P.M.

ROLL CALL:

MAYOR:	William Capote	Present
DEPUTY MAYOR:	Kenny Johnson	Present
COUNCILMEMBER:	Harry Santiago, Jr.	Present
COUNCILMEMBER:	Jeff Bailey	Present (Late)
COUNCILMEMBER:	Brian Anderson	Present
ACTING CITY MANAGER:	Suzanne Sherman	Present
DEPUTY CITY ATTORNEY:	Jennifer Cockcroft	Present
DEPUTY CITY CLERK:	Terri Lefler	Present

CITY STAFF: Present was Angelica Collins, Fiscal Manager.

COMMENTARY BY STAFF:

1. Statement regarding tax rate.

Ms. Sherman stated the proposed tax millage rate was 8.1379, which was a 6.5% increase over the rollback rate. The percentage increase being above the three percent (3%) cap was caused by new construction being excluded from the three percent (3%) cap.

Contributing to the operating millage rate increase over the rollback rate were: actuarial requirements to increased Police and Fire pensions; increased debt service payments; funding of high priority and critical needs, including contractual requirements with Johnson Controls, Honeywell, Florida Power and Light street lights and solar programs, burglar alarm monitoring, septic and sewer pump-outs, and temporary employment

services; one Housing Development full-time employee (FTE) position; Road Maintenance funding; and transfer of personnel service expenditures, including five (5) engineering and administration FTE positions and eight (8) mowing staff FTE positions, along with associated operating expenditures from the Stormwater Utility Fund to the General Fund.

Ms. Sherman advised that the City had adopted a tentative debt millage rate of 0.7516 for the next fiscal year. The debt millage rate would generate estimated revenues of \$3,527,298 based on the gross taxable value certified by the Brevard County Property Appraiser. These revenues were restricted and designated for the payment of the General Obligation Bonds, Series 2019, debt service payment of \$3,527,750 due in the Fiscal Year 2021 budget year.

Councilman Bailey joined the meeting at this time.

PUBLIC HEARINGS:

1. Discussion of the tentative millage rate for tax year 2020 and City Manager's summary of proposed budget for Fiscal Year 2020-2021.

The public hearing was opened.

Ms. Sherman advised that the proposed budget was built on the 3% cap rate of 7.8378 mills. She highlighted areas of the proposed budget and stated that the public could review budget related information on the City's website at www.palmbayflorida.org/fy21budget.

Mr. Bailey asked for confirmation on rollback rate. Mrs. Collins answered that it was 7.6415, which exceeded the advertised tentative millage rate of 8.1379 by 6.5%. The proposed budget was based on a millage rate of 7.8378, which exceeded the rollback rate of 7.6415 by 2.57%. Mr. Bailey said it would be a 2.57% tax increase. Mrs. Collins confirmed same.

Mr. Bailey asked if the monies from previous budgets that exceeded the 3% cap were taken out of post years' budgets. Ms. Sherman answered in the negative. Mr. Bailey did not feel that was the intent of the City Charter. He said that, for example, if the cap was exceeded by \$1 million for hurricanes or other critical needs and those dollars were not spent, then that funding should not be placed in the following year's budget to be spent elsewhere.

The public hearing was closed.

PUBLIC COMMENTS:

Public comments were heard under the items of business.

BUSINESS:

1. Consideration of the tentative millage rate for tax year 2020; re-computation, if needed, and announcement of tentative millage rate and percentage increase over rolled-back rate.

Ms. Sherman said that the tentative millage rate was set at 7.8378, which exceeded the rollback rate by 2.57%. There were no changes; therefore, no re-computation was needed.

Motion by Deputy Mayor Johnson, seconded by Mr. Santiago, to set the tentative millage rate at the 3% cap rate at 7.8378.

Mr. Bailey said that he had communicated with other municipalities and they were going with the rollback rate or lower, which he supported. He did not feel that the rollback rate should be exceeded.

Motion carried with members voting as follows:

Mayor Capote	Yea
Deputy Mayor Johnson	Yea
Councilman Santiago	Yea
Councilman Bailey	Nay
Councilman Anderson	Yea

2. Ordinance 2020-59, amending the Code of Ordinances, Chapter 200, Utilities Code, by adjusting the rates, fees, and charges for the City's utilities system and services, first reading.

The Deputy City Attorney read the ordinance in caption only.

Mayor Capote said that the rate increase was typically 4% but was proposed at 2%. Ms. Sherman confirmed same.

Motion by Deputy Mayor Johnson, seconded by Mr. Anderson, to adopt Ordinance 2020-59.

Councilmembers thanked staff for limiting the amount of the rate increases. Mr. Santiago said that due to the circumstances, he had hoped there would be no increase for the next fiscal year, and then continue with the 4% increase thereafter.

Mr. Bailey said that with the expansion of the South Regional Plant, there were millions in debt service payments that had to be paid on borrowed money, yet there was no development. He said that other fees had been implemented over the years and existing fees had been significantly increased. He felt the City should be able to give taxpayers a break and did not support the request.

Motion carried with members voting as follows:

Mayor Capote	Yea
Deputy Mayor Johnson	Yea
Councilman Santiago	Yea
Councilman Bailey	Nay
Councilman Anderson	Yea

3. Ordinance 2020-60, amending the Code of Ordinances, Chapter 201, Sewer Use, Subchapter 'Miscellaneous Provisions', by adjusting the permit fees and other charges related to the City's utilities wastewater system, first reading.

The Deputy City Attorney read the ordinance in caption only.

Ms. Sherman advised that the recommended rate increase was 5% and staff had proposed a 2.5% increase, which was included in the ordinance.

Motion by Deputy Mayor Johnson, seconded by Mr. Anderson, to adopt Ordinance 2020-60.

Motion carried with members voting as follows:

Mayor Capote	Yea
Deputy Mayor Johnson	Yea
Councilman Santiago	Nay
Councilman Bailey	Nay
Councilman Anderson	Yea

4. Ordinance 2020-61, amending the Code of Ordinances, Chapter 202, Reclaimed Water, by adjusting the rates, fees, and charges for reclaimed water, first reading.

The Deputy City Attorney read the ordinance in caption only.

Ms. Sherman advised that the recommended rate increase was 5% and staff had proposed a 2.5% increase, which was included in the ordinance.

Motion by Deputy Mayor Johnson, seconded by Mr. Anderson, to adopt Ordinance 2020-61.

Motion carried with members voting as follows:

Mayor Capote	Yea
Deputy Mayor Johnson	Yea
Councilman Santiago	Nay
Councilman Bailey	Nay
Councilman Anderson	Yea

5. Ordinance 2020-62, adopting the final budget for Fiscal Year 2020-2021, first reading.

The Deputy City Attorney read the ordinance in caption only.

Ms. Sherman stated that the total budget was \$225,293,423 and was built on the 3% cap rate of 7.8378, which exceeded the rollback rate by 2.57%.

Motion by Deputy Mayor Johnson, seconded by Mr. Anderson, to adopt Ordinance 2020-62.

Mr. Bailey said there were a lot of increases being placed on the taxpayers but there was a healthy Fund Balance. He asked that police vehicle dashboard and body cameras be included in a future budget. Deputy Mayor Johnson supported Mr. Bailey's comment regarding cameras for the Police Department and said that the pilot program for the body cameras was underway. Mr. Bailey thanked staff for including Police Officer training pay in the budget.

Motion carried with members voting as follows:

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Mayor Capote	Yea
Deputy Mayor Johnson	Yea
Councilman Santiago	Yea
Councilman Bailey	Nay
Councilman Anderson	Yea

There being no further business, the meeting adjourned at the hour of 6:38 P.M.

William Capote, MAYOR

ATTEST:

Terri J. Lefler, DEPUTY CITY CLERK