MINUTES

CITY OF COCOA
REGULAR MEETING OF THE CITY COUNCIL

August 22, 2017

A Regular City Council meeting was held on Tuesday, August 22, 2017, in City Council Chambers, located in Cocoa City Hall, 65 Stone Street, Cocoa, Florida, as publicly noticed.

I. OPENING MATTERS:

Mayor Parrish called the meeting to order at 6:00 p.m.

Councilman Whipple asked for a moment of silence in regards to the recent events in Kissimmee and he provided the invocation. Deputy Mayor Boisvert led the assembly in the Pledge of Allegiance to the Flag of the United States of America.

The City Clerk took the roll.

PRESENT:	Henry U. Parrish III	Mayor
	Don Boisvert	Deputy Mayor
	Jeri Blanco	Councilwoman
	Brenda Warner	Councilwoman
	Clarence Whipple, Jr.	Councilman
	Anthony Garganese	City Attorney
	John Titkanich, Jr.	City Manager
	Matt Fuhrer	Assistant City Manager
	Carie Shealy	City Clerk

OTHER STAFF MEMBERS PRESENT:

Tammy Gemmati, Administrative Services Director; Jack Walsh, Utilities Director; Karen Hamilton, Community Services Director; Gene Prince, Fire Chief; Michael Cantaloupe, Chief of Police; Ed Wegerif, Public Works Director; Teri Butler, Finance Director; Tre Folston, Helpdesk Support Tech; Lora Howell, Deputy Finance Director; and Deane Mills, Safety/Risk Program Manager.

II. APPROVAL OF AGENDA AND MINUTES:

1. Agenda: Regular Meeting of August 22, 2017 (17-353)
2. Minutes: (a) Regular Meeting of July 25, 2017 (17-354)

* **MOTION by Deputy Mayor Boisvert; Seconded by Councilwoman Warner, to approve the Agenda with the amendment of moving Consent Item VI.1 to Multi-Year Contracts, Item IX. 9.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

III. AWARDS AND PRESENTATIONS:

None.

IV. DELEGATIONS:

Pam Shaia, 308 Brevard Avenue, Cocoa, presented Chief Cantaloupe a certificate from Brevard Kennel Club to Copper for his outstanding actions in their class. She also provided Copper with some cookies.

Reverend Johnny Dennis, 3710 Catalina Drive, Cocoa, represents the National Action Network and was in attendance for an update on the Citizen Review Board. He asked if a date had been set for a public crime workshop.

City Manager Titkanich advised that they have been working with the Center for Public Safety Management and they would have a draft report prepared for the City which was a review of the operational analysis of the police department. The Mayor has expressed the want for another Crime Summitt; however, a date will not be set until they have a review of the analysis.

Assistant City Manager Fuhrer noted that he had spoken with Mr. Dennis and had provided the contact for the Center for Public Safety Management.

Councilman Whipple was glad to see that the Reverend was following up and was happy with how the situation was being handled.

John Olivadoti, Jr., Range Road, Cocoa, spoke of the dangers of fluoride in Cocoa's water system. He believes that the City was misrepresenting the

information on fluoride to its citizens. He noted it was a business practice that must be stopped.

CJ Watson, 1203 Montclair Road, Cocoa, advised that water fluoridation was forced medication. He asked the City Attorney if he had any insight on how this was being allowed in the City.

City Attorney Garganese pointed out that under Delegations it was Mr. Watson's time to speak to Council. Mr. Watson then proceeded to ask Council if they knew anything about it. In response, Mayor Parrish advised that he grew up on Cocoa water.

Mr. Watson then asked Chief Cantaloupe if it was legal to force medication. City Manager Titkanich interjected and asked that comments be directed to Council, not at staff. Additionally, City Attorney Garganese noted it was a time for him to speak, not question Council.

Mayor Parrish reiterated that the Water Quality Report was on the City's website and notes every chemical that is put into the water.

Councilwoman Warner added that the report includes the amount of fluoridation in the City's water. City Manager Titkanich stated that he could meet with him and that he had his contact information. Mr. Watson stated that he had sent the Mayor an email and did not receive a response.

Brad Whitmore, 351 Rockledge Drive, represented HCVA. He spoke about the development of the water front and Lee Wenner Park. He believes that it can be turned into a jewel for the Village. He spoke about possible updates that could be done such as lighting and a concession area. He mentioned grants that were available and that the Sail to the Sun Rally was in December. This would be the third time that they will visit Cocoa Village.

Mayor Parrish advised that they were in agreement with fixing the area up.

Donna Kettner, 103 Derby Street, owner of Green Apples on Harrison Street, thanked Chief Cantaloupe and officers regarding an attempted robbery at her store. She further spoke about draining problems behind her building and advised that she was being sued by Troy Stephan who is building the German restaurant. Ms. Kettner expressed her concerns in detail regarding Mr. Stephan and the way that the City is handling everything.

City Manager Titkanich noted that a stop work order was lifted. He assured her that he would personally get with both the planning and the building departments and would personally contact Ms. Kettner.

Mayor Parrish mentioned that they went over this last year. Ms. Kettner asked if there was going to be a retention pond in the middle of downtown. She believed that the City needed to think outside of the box. She had to get a lawyer, as Mr. Stephan is one and she is not. She has worked hard to buy the building and to maintain her businesses. She has established clientele and it is an embarrassment. Additionally, this would be his fourth restaurant without a dumpster on the property. She dropped everything that she was doing to come to this meeting tonight.

City Manager Titkanich reiterated that he would get with the Planning, Code, and Building Departments and then come see her.

City Manager Titkanich followed up on the water fluoridation issue that was brought up in the beginning of delegations. He provided information from further research and noted that he had shared this information previously.

V. SPECIAL MEDIATION MATTERS:

1. Approve the Participation in the Taylor Creek Reservoir/St. John River Water Supply Project (WS0919) and authorize the Mayor, City Manager and City Attorney to finalize and execute all required project agreements and legal instruments; and Approve the Project Permitting Budget and Expenses as a Multi-Year Agreement from 2017 through 2019; and Authorize the City Manager, Utilities Director and City Attorney to implement the project agreements. (17-361). (Utilities Director)

Mr. Walsh presented this item noting that it was a large agenda item with a lot of attachments. He discussed the TCR project in detail, advising that it was a multi-phase collaborative project that utilizes the TCR and ultimately the SJR for water supply. In 2000, the SJRWMD determined that due to the environmental constraints, traditional sources of water will not sustain demand in Central Florida and identified the TCR/SJR as an alternative water source. This cooperative project has been identified and included in the SJRWMD Regional Water Supply Plan, which was approved by all of the applicable state and regional regulatory agencies after an extensive public participation process.

The City of Cocoa, along with Orange County, the Orlando Utilities Commission, Toho Water Authority and East Central Florida Services (Deseret Ranch) have been working to develop collaborative agreements to permit and secure necessary water supplies for future potable and agricultural water needs. These agreements are now complete and scheduled for review, consideration and approval by the various governing bodies which include the City of Cocoa. The agreements include very specific and detailed procedures and benchmarks for developing and allocating new water supplies, interconnections among the participants and cost sharing allocations.

These must all be signed and executed in order for the project to move forward. He pointed out that the SJRWMD has also provided a letter agreement to be executed by all of the water suppliers. This letter acknowledges the participation in mediation for the TCR/SJR Project.

This is a significant outcome for Cocoa, and he further noted that the project would be divided up into four phases. He discussed the phases in detail.

Additionally the TCR would be used to store source water to be treated at the Dyal Water Plant. Therefore, as the demands increase in the future, the reservoir will need to be augmented by water from the St. Johns River in order to meet the demands and increase the reliability of the source water.

Lastly, he noted that the agreements would be effective among approval and execution by all parties.

Councilwoman Warner advised that any questions she had were answered.

Mayor Parrish believed that other than the creation of the water system and the water towers he feels that this was a historical vote. It was good for both Cocoa and Central Florida and will guarantee water forever. The lease is up in 2043 and that would come quick. This was a big moment for Council and citizens of Cocoa. This was a giant responsibility but an honor to be a part of this partnership.

City Manager Titkanich thanked Mr. Walsh, City Attorney Garganese, and consultant Mark Farrell for their efforts in making sure that they are representing the City and its customers in the right way. He appreciated the efforts of all of the partners involved.

Mayor Parrish advised the citizens of Cocoa that when this deal goes through and the water is pumping to the west there could be a real chance of stabilization in the water rates.

Councilwoman Warner knew that at some point in the near future we would be involved in a water war. This has been seven years in the making to get where we are today. Securing Cocoa's water future would not be done if it were not for the staff and management that the City has. They have sat and negotiated non-stop for the last five years to get them to this point. The Dyal Plant can be expanded if needed and other changes can be made if needed. This is one of the biggest deals that she has every voted on in all her years on Council.

Mayor Parrish asked Mr. Walsh how he felt about the negotiations. In response, Mr. Walsh mentioned it was challenging and was glad it was over. It was a good deal for Cocoa, Brevard County, and Central Florida.

Councilwoman Blanco advised that she moved her from out west about 25-30 years ago and they were talking about water shortages. This secures Cocoa's future and it is a big deal. She hoped everyone listening realizes the significance of this. Staff did a phenomenal job.

Councilman Whipple was glad an agreement was reached and believed that the EPA was a guiding light and no matter who comes forward to speak about their personal beliefs about the water, the City serves many areas with our water and was adhering to the EPA's guidelines.

Deputy Mayor Boisvert thanked Mr. Walsh and all staff involved. It will be a big thing for the City.

* **MOTION by Deputy Mayor Boisvert; Seconded by Councilwoman Warner, to approve the item.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

Councilwoman Warner pointed out that Mr. Rip Dyal was in the audience.

VI. CONSENT AGENDA:

~~1. Approve Continuation of Work under Task Order 41 with CDM Smith, Inc. to provide SCADA System Programming Services for the Sellers VTSCADA System, LCP's and RTU's on an as needed basis; To Approve Amendment #2 to Task Order 41 to Extend Service Time; To Approve a Resolution Amending the FY2017 Budget. (17-335). (Utilities Director)~~

* **THIS ITEM WAS MOVED TO CITY BUSINESS VIII.9.**

VII. PUBLIC HEARINGS:

1. Pursuant to Resolution No. 2016-87, approve Resolution No. 2017-73 temporarily suspending the automatic five percent (5%) annual rate increase to City utility charges and usage rates for FY 2017/2018 only and accepting Stantec's (Burton & Associates') FY 2017/2018 Utility Rate Study, validating in lieu of a five percent increase, the implementation of a four percent (4%) increase to the water, fire lines, hydrant, wastewater and reclaimed water fixed monthly charges and usage rates effective October 1, 2017 through September 30, 2018; and provide for the update of the Utilities Handbook and the City Code. (17-278). (Finance Director)

   Ms. Butler presented the item and noted that the consultant from Stantec was in attendance and would provide a presentation[1] regarding the water rates.

   Ms. Vita Quinn, Senior Consultant with Stantec, provided a presentation and explained the background and scope of the item. She pointed out that in the scope they provided annual updates and they verify or adjust the plan of rate adjustments as required.

   She provided an analysis and explained data sources which included the FY 2016 audited financials, the FY 2017 Budget, the FY 2018 proposed budget, debt service, and the Capital Improvement Program. Additionally she explained the required restrictions such as debt service coverage requirements and reserve policies.

   She reviewed the City's financial plan and spoke about cash flow projections, control panel, and rate comparisons.

   Ms. Quinn pointed out where the City was at in regards to national trends along with a comparison of local entities. She advised that others may not be having an increase this year.

[1] EXHIBIT A: Water and Sewer Revenue Sufficiency Analysis Update

Recommendations were provided which was to provide a 4% across-the-board increase in all water, sewer, and reclaimed water rates effective October 1, 2017.

Deputy Mayor Boisvert clarified that this only affected Cocoa. Ms. Quinn responded in the affirmative.

Mayor Parrish opened the hearing up to the public.

Sandra Wilson, 219 Second Street, Merritt Island, mentioned a letter that she received last year regarding elevated bacteria. She then noted that her bill is $45.00. She questioned the billing of the City. City Manager Titkanich explained the way that the Utility budget was laid out.

Ms. Wilson further advised that last year there was an increase in sewer charges. City Manager Titkanich explained that the county provided sewer, as her property is in Merritt Island. The sewer was only raised for the City of Cocoa. He explained how the City provides service to many other entities and bills on behalf of them.

Walter Jordan, 409 McCloud Drive, Cocoa, was confused on the percentage of the increase. City Manager Titkanich explained that it was a public service tax and noted that the item for that was coming up. He explained it was two separate items. This particular item was for the water rate for consumers of water. The next is on the public service tax for Cocoa residents only.

Mr. Jordan pointed out a flooding problem at the intersection of McCloud Drive and Dade Court.

Mayor Parrish closed the hearing to the public.

* **MOTION by Deputy Mayor Boisvert; Seconded by Councilwoman Warner, to approve Resolution No. 2017-73 temporarily suspending the automatic five percent (5%) annual rate increase to City utility charges and usage rates for FY 2017/2018 only and accepting Stantec's (Burton & Associates') FY 2017/2018 Utility Rate Study, validating in lieu of a five percent increase, the implementation of a four percent (4%) increase to the water, fire lines, hydrant, wastewater and reclaimed water fixed monthly charges and usage rates effective October 1, 2017 through September 30, 2018; and provide for the update of the Utilities Handbook and the City Code.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

Councilwoman Warner noted that this was normally an automatic increase of 5% each year but thanks to Burton and Associates it was found that we did not need

to do a 5% this year. This year they were doing a 4% and the year before that it was 3%, and previous to that no increase. The City was looking at every penny and were not asking for anymore than needed.

2. Ordinance 08-2017/ 2nd and Final Reading: Amending the Future Land Use Map designation of the subject property from Low Density Residential to Medium Density Residential and Conservation and a Development Agreement related to the subject property. (17-288). (Community Services Director)

City Manager Titkanich advised that this item is being tabled until the Regular City Council meeting on September 12, 2017 at 6 p.m. as they are continuing to work with the representatives. This will preserve legal advertising requirements.

* **MOTION by Deputy Mayor Boisvert; Seconded by Councilwoman Warner, to Table the second and final reading of Ordinance No. 08-2017 until the September 12, 2017 City Council meeting.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

3. Ordinance 09-2017/ 2nd and Final Reading: Amending the Zoning Designation of the subject property from RR-1 (Rural Residential) to RU-2-15 (Multiple Family Residential). (17-289). (Community Services Director)

City Manager Titkanich advised that this item is being tabled until the Regular City Council meeting on September 12, 2017 at 6 p.m. as they are continuing to work with the representatives. This will preserve legal advertising requirements.

* **MOTION by Deputy Mayor Boisvert; Seconded by Councilwoman Warner, to Table the second and final reading of Ordinance No. 09-2017 until the September 12, 2017 City Council meeting.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

4. Council's consideration and public comment on the allocation of the 2017 Edward Byrne Memorial Justice Assistance Grant in the amount of $23,464 for FY18. (17-355). (Chief of Police)

Mayor Parrish opened the hearing to the public. There being no response, the public portion of the hearing was closed.

* **MOTION by Councilwoman Blanco; Seconded by Deputy Mayor Boisvert, to approve the allocation of the 2017 Edward Byrne Memorial Justice Assistance Grant in the amount of $23,464 for FY18.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

5. Ordinance No. 11-2017/2nd and Final Reading: Amending Chapter 19, Article II - Public Service Tax; Electing the option to levy a Public Service Tax on water service. (17-363). (Finance Director)

City Manager Titkanich stated that on May 19, 2015, a City Council Budget Workshop was held for the purpose of the FY 2016 Budget as well as a discussion on future budgetary issues. Additionally, in the City's Strategic Plan, it identifies issues, goals, and objectives, one of which is Fiscal Sustainability. One way to accomplish this objective is to evaluate and consider alternate and new revenue sources such as implementing a Public Service Tax on water s service within the City.

He explained in furtherance what the Public Service Tax entailed and noted that at the Fiscal Year 2018 Budget Priorities Workshop, in lieu of increasing the millage rate to cover the revenue shortfall, City Council directed the millage rate remain at the current fiscal year rate and the Public Service Tax be imposed for FY 2018. This will enable the City to further attain its goal of being long-term fiscally sustainable.

This tax is for 10% and only applies to those with water services within the City. It would start October 1, 2017 and the Ordinance provides for certain exemptions for governmental agencies, religious, and educational institutions.

Attorney Garganese read Ordinance No. 11-2017 into the record, by title only as follows. He advised that this was second and final reading of the Ordinance.

ORDINANCE NO. 11-2017

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COCOA, BREVARD COUNTY, FLORIDA; AMENDING CHAPTER 19, ARTICLE II- PUBLIC SERVICE TAX; ELECTING THE OPTION TO LEVY A PUBLIC SERVICE TAX ON WATER SERVICE; MAKING OTHER CONFORMING AND TECHNICAL AMENDMENTS TO CHAPTER 19, ARTICLE II; PROVIDING FOR THE REPEAL OF PRIOR INCONSISTENT ORDINANCES AND RESOLUTIONS, INCORPORATION INTO THE CODE, SEVERABILITY, AND AN EFFECTIVE DATE.

Mayor Parrish opened the hearing up to the public.

Lorraine Koss, 2115 Indian River Drive, Cocoa, asked if water bills were going up 14%. In response, City Manager Titkanich explained that for City customers, yes. She noted it would not affect her or her neighbors but it was a concern to her for others in the City. She pointed out that being Chair of the Utilities Advisory Board she would have liked to have been made aware of this so she would have been prepared for questions being posed to her by citizens.

City Manager Titkanich advised that Council elected to have the millage remain the same. Additionally, it would shift some of the burden being placed on all properties and provides the tax to everyone.

Ms. Koss noted that there was a lot of concern regarding the increase and was not sure how the public relations aspect of notification would be done but felt strongly that information needed to be put out there.

City Manager Titkanich understood her concerns and noted that alternatively they could be looking at cutting four positions. Ms. Koss supported the city staff and believed they do a good job. These questions and concerns were directed at her due to her position on the Utilities Advisory Board and she would have liked to have a heads up. It will be hard for many citizens as they are on a budget.

City Manager Tikanich reiterated that the increase was only on water, not sewer.

Jennifer Kenney, Quail Ridge Court, read about the increase on her utility bill. She was glad to know that the money was going back into the General Fund and encouraged Council to look at ways to raise money for the General Fund so that it did not come from citizens. People have no other choice then to use the City's water. She is pleased with the water but not with the 14% increase.

Mayor Parrish closed the hearing to the public.

Councilwoman Warner thought Ms. Koss made a good point and believed that the public relations aspect was a nightmare. The City has a high percentage of renters and this is one way to make sure everyone is paying a small amount more. In all her years she has never seen anyone cut the budget as much as City Manager Titkanich has.

She believed that the general public does not understand what the City is doing and we needed to do a better job of explaining. She thought that social media needed to be used more or a better job of explaining needed to be done. She felt that they needed to work on better public relations and was upset that the Chair of the Utilities Advisory Board was not made aware of this.

Councilwoman Blanco assured Ms. Koss and citizens that they did grapple with this and it was not an easy decision. She personally does not want to pay more for water, but wherever you live there are increases. She agreed that Boards should have this information provided to them. She agreed that a better job of communicating needs done.

City Manager Titkanich agreed and would have Ms. Senger post something on the website tomorrow. It also was put on water bills, but he assured Council and citizens that a fact sheet would be put together and posted. He apologized to Ms. Koss for not notifying her.

* **MOTION by Deputy Mayor Boisvert; Seconded by Councilman Whipple, to approve Ordinance No. 11-2017 on second and final reading.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

VIII. COUNCIL BUSINESS:

1. Approve a Code Enforcement Lien Reduction request in the amount of $5,800.00 for the property located at 1053 Hickory Ln. (17-331). (Chief of Police)

Chief Cantaloupe advised that the Code Enforcement Board held a public hearing on July 17, 2014, at which time the Board found the owner, Innova Invesmtment Group LLC; Via Lam LLC, in violation of the following: Section 6-900 (b)(1)-Accumulation of Junk & Trash.

The Board provided the owner sufficient time to correct the said violation. Therefore, consistent with the Code Enforcement Board's Order a lien was recorded against the property effective August 9, 2014. The lien ran at $50 per day from August 9, 2014 until compliance was achieved on June 29, 2017. The lien is $53,600 which includes $800 in Fixed Liens and the current owner, Innova Investment Group, LLC; Via Lam LLC is requesting that the lien be forgiven due to the fact that the violations were imposed against the previous owner and he was not aware of the liens at the time of purchase.

Mr. Scott Rost, 1000 Legion Place, advised that he was in attendance on behalf of the property 1053 Hickory Lane. He thanked Council and pointed out that they represent Innova Investment Group. They took ownership to the title a little over a year ago in July 2016 and the majority of the days of accumulation on the lien were under the previous ownership. The owners worked expediciously to get the property cleaned up and they were requesting that the lien be reduced to an

amount not to exceed $2,000. This is because they have only owned the property for a little over a year and it was brought into compliance. They feel that $5,000 above the fixed amount of $800 was a little excessive.

Councilwoman Warner clarified that normally recommendations to the Code Board were amounts associated with hard costs, demo, etc. Chief Cantaloupe confirmed these were hard costs. They took ownership on May 22, 2015 and the property was brought into compliance in 2017.

Attorney Rost apologized for the misinformation and mentioned that he was looking at a partial file.

City Manager Titkanich advised that this was an investment group. There are also costs to the community such as to the neighbors, etc.

Councilwoman Warner was concerned that because the information they received was directly related to the hard costs that there was something they were not seeing.

* **MOTION by Councilwoman Blanco; Seconded by Deputy Mayor Boisvert, to approve the Code Enforcement Lien reduction in the amount of $5,800 for the property located at 1053 Hickory Lane.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

Attorney Rost congratulated the City on the water project.

2. Consider the appointment of Mr. Herbert (Rip) Dyal as the 1st Alternate Member to the Board of Adjustment. (17-364). (Administrative Services Director)

* **MOTION by Deputy Mayor Boisvert; Seconded by Councilwoman Warner, to approve the appointment of Mr. Herbert (Rip) Dyal as the 1st Alternate member to the Board of Adjustment.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

Mr. Rip Dyal, 3807 Parapet Drive, Cocoa, spoke in regards to his appointment. He noted it felt good to be back on the board and that his job was the reason he had to leave his past position on the board. He was now working at Guardian Manufacturing in Cocoa. Council welcomed him back.

IX. CITY BUSINESS:

1. Approve a preliminary subdivision consistent with Chapter 18 of the City of Cocoa Code for Lakeside Palms, LLC, a 103-lot subdivision consisting of approximately 26.28 acres located at 100 Clearlake Road. (17-320). (Community Services Director)

Ms. Hamilton presented the item and noted that the item would be going to Planning and Zoning for approval.

She advised that the original plan was for 105 lots but a request had come to reduce it to 103.

Andy Kirbach, 505 N. Harbor City Boulevard, Melbourne, the projects representative, was there to answer any questions.

Councilwoman Blanco asked who the builder would be. In response, it was stated DR Horton. The price range has not been determined and the average square footage would be 2,000 and above. Councilwoman Blanco confirmed that they would be medium priced homes.

* **MOTION by Deputy Mayor Boisvert; Seconded by Councilwoman Blanco, to approve the item.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

2. Approve a Resolution amending the FY2017 Budget to include a transfer from the Water/Sewer Fund to the General Fund reflecting the actual cost of the Fleet Building Expansion Project (CP11FS) and to apply the correct split between the General Fund and the Water/Sewer Fund. (17-342). (Finance Director)

* **MOTION by Councilwoman Warner; Seconded by Councilwoman Blanco, to approve the item.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

3. Approve the Preliminary Assessment Resolution for the Fire Protection Assessment for FY2018. (17-345). (Finance Director)

Ms. Butler explained the item regarding the Preliminary Fire Assessment Resolution. The final reading would be on September 5, 2017[2].

* **MOTION by Councilwoman Warner; Seconded by Councilman Whipple, to approve the item.**

AYES: Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (4-0)

4. Approve a Resolution to amend the FY2017 budget to reflect the actual State contributions received for the Police and Firefighter retirement plans. (17-356). (City Manager/Finance Director)

Ms. Butler mentioned that the dollar amount of the contributions came in slightly higher and this was reflected in the budget amendment.

* **MOTION by Councilwoman Blanco; SECONDED by Councilwoman Warner, to approve the item.**

AYES: Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (4-0)

MULTI-YEAR CONTRACTS:

5. Approve a multi-year contract (pending approval of the FY2018 Budget) with Chard Snyder for retiree and COBRA billing administration services from October 1, 2017 to September 30, 2020 and authorize the City Manager to negotiate and sign associated contract approved by the City Attorney. (17-343). (Administrative Services Director)

[2] Mayor Parrish left the meeting at 7:44 p.m.

Ms. Gemmati explained the item and advised that the contract was still being drafted.[3] She further advised that the City currently offers its retirees' benefits for life. This is currently done in house and involves multiple people. This item approves the outsourcing of this and will assure that retirees have more access to their benefits.

* **MOTION by Councilwoman Warner; Seconded by Councilman Whipple, to approve the item.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

6. Approve City Staff's vendor selection for award of RFP# P-17-12-COC, Workers' Compensation Third Party Administration Services for the City of Cocoa and authorize the City Manager to negotiate and execute a multi-year contract with USIS, Inc. from October 1, 2017 to September 30, 2020 and any approved renewal terms in the contract. (17-346). (Administrative Services Director)

Ms. Gemmati presented the item and pointed out that they have been with USIS since 1997. The City has had a long term contract with them. There were three bidders and they were the City's first choice. A representative was present for questions.

* **MOTION by Deputy Mayor Boisvert; Seconded by Councilman Whipple, to approve the item.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

7. Approve Task Order 2017-83 with CH2M to Update the Water System Capital Plan, Project WS1210; To Approve as a Multi-year Contract from FY2017 through FY2018; Pending Approval of the FY2018 Budget. (17-349). (Utilities Director)

Mr. Walsh presented the item noting it was a substantial capital plan update. They will go through and evaluate the program overall. This represents a strategic plan for the City.

* **MOTION by Councilman Whipple; Seconded by Councilwoman Warner, to approve the item.**

[3] Mayor Parrish returned to the meeting at 7:46 p.m.

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

8. Authorize the City Manager to sign a three (3) year Application Service Provider (ASP) Order with Superion, LLC. (formerly SunGard Public Sector), to provide Superion NaviLine Public Administration applications. (17-357). (Assistant City Manager)

* **MOTION by Councilwoman Warner; Seconded by Councilman Whipple, to approve the item.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

9. Approve Continuation of Work under Task Order 41 with CDM Smith, Inc. to provide SCADA System Programming Services for the Sellers VTSCADA System, LCP's and RTU's on an as needed basis; To Approve Amendment #2 to Task Order 41 to Extend Service Time; To Approve a Resolution Amending the FY2017 Budget. (17-335). (Utilities Director)

Mr. Walsh presented the item.

* **MOTION by Councilwoman Warner; Seconded by Councilman Whipple, to approve the item.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

THE MOTION CARRIED UNANIMOUSLY (5-0)

X. INFORMATIONAL AGENDA:

1. Cumulative purchase approvals over $35,000 and under $50,000 for period 10/01/2016 to 07/31/2017. (17-344). (Finance Director)

2. FY 2017 Budget Adjustment Report. (17-350). (Finance Director)

3. Approved change orders to construction contracts that the City Council has authorized the City Manager, by resolution, to approve in excess of the City Manager's spending authority. (17-351). (Finance Director)

4. Data showing the relation between the estimated and actual income and expenses to date. (17-352). (Finance Director)

5. Review of the Employee Health Center utilization report provided by CareATC for July 2017. (17-365). (Administrative Services Director)

XI. REPORTS:

Mr. Wegerif provided a brief report regarding the flooding on Brevard Avenue. Staff has checked the pipes on Brevard Avenue and they are all clear up to SR 520. FDOT did find some blockage and they are in the process of cleaning out their lines. It may or may not have had an impact on the flooding but it is all being fixed.

The grate was also replaced at 308 Brevard Avenue and that would hopefully solve that problem.

Councilman Whipple asked if he had contacted Pam in regards to the replacement. Mr. Wegerif responded in the affirmative.

Lastly, Mr. Wegerif provided an update on the Harry T. Moore Center, noting that the floors were down and the walls were being painted. They also were beautifying the outside. It would be ready for the dedication in September.

Chief Cantaloupe reminded everyone about Coffee With a Cop tomorrow morning, August 23, 2017 at Ossorio's. Copper would also be there.

Chief Prince announced that Thursday, August 24, 2017 at 6 p.m. was the annual awards ceremony for the Fire Department. They would be announcing the Firefighter of the Year and recognizing Deborah Rowan on her retirement.

He further reminded all of the 911 Stair Climb to be held on Saturday, September 9, 2017.

Lastly, he mentioned that tomorrow was a United Way fundraiser at Fire Station #1.

Ms. Gemmati introduced Mr. Deane Mills, Safety Manager and recognized him for his hard work on the USIS contract.

Assistant City Manager Fuhrer provided an update on the annual repaving. They have started in Cocoa north and then would do the Carlton Terrace area.

Additionally, at the next City Council meeting they would be bringing the Lee Wenner Park agreement forward.

City Manager Titkanich advised that they had received the most recent population estimate and the latest is 18,892, which is an increase of about 150.

He spoke about workshops that were held on August 9, 2017 with the County Commission and several members of the community. The direction was to work on interlocal agreements. The County Manager has worked with the City Attorney regarding the US 1 RDA and Diamond Square RDA. When the draft was received a workshop would be scheduled to determine direction on those agreements.

The Harry T. Moore Center project was coming in to completion and he reminded all that the dedication ceremony would be held on Wednesday, September 6, 2017 from 5-6 p.m.

Lastly, he assured Council and those in attendance that staff would work to get information on the website regarding the Public Service Tax increase. He reiterated that it was needed in order to maintain current levels of services and that it was a hard decision for everyone.

Councilman Whipple enjoyed the Florida League of Cities Annual Conference and urged citizens to get behind their representatives to support CRA's. They are needed to delete the blight.

He mentioned his attendance at the anniversary celebration for "Jerk Flavas" this past weekend. The food was excellent. It is located at the corner of Fiske Blvd. and School Street, right by the armory.

Councilwoman Blanco also enjoyed the FLC Conference and mentioned she serves on the Utilities and Natural Resources Policy Committee. They had two topics of discussion both related to water. She felt it showed how important the

services that the City provides are. She thanked the City for the ability to attend the conference.

Lastly, she advised that they were constantly being told what a great area that Cocoa was. People are aware of Cocoa in other parts of the state. She wants to make sure that Cocoa is promoted and as elected officials and citizens things are done. She hoped to be a part of Cocoa for the next few years.

Councilwoman Warner concurred with other Council members regarding the conference. She congratulated Gil Ziffer as the new President for Florida League of Cities. She has always felt that networking with other cities is great and you leave knowing how good of a city that we have. Cocoa has its share of problems but there are others in much worse shape.

She attended the "Jerk Flava" anniversary and knew how good their food was. They chose Cocoa to open the business and decided it was where they wanted to be. There were great remarks from those who eat there and a great write up in the paper. Ms. Paulette, the owner, stated that the write up helped her business.

Deputy Mayor Boisvert attended the groundbreaking ceremonies for Fire Stations 2 & 3. The Flying J on SR 524 has also opened. The owner of Flying J is very pleased with Cocoa and it was packed over the weekend. He noticed that lights were being installed at the Erdman property and he thanked the City Manager, Mr. Walsh, and City Attorney for their work on the water contract.

In closing, Deputy Mayor Boisvert thanked everyone who attended his town hall meeting on August 15, 2017. There were approximately 104 people in attendance. He thought the City Manager did a great job with his presentation.

Mayor Parrish reminded Council that they were elected by citizens. Citizens have things to say and sometimes they are hard to hear, whether they are true or not. Additionally, the City has a great water system and appreciates all that has been done throughout the years.

He questioned City Manager Titkanich about the parking study. In response, City Manager Titkanich noted that at the last CRA meeting they said it would be August or September, but he would check.

Mayor Parrish also concurred with Council regarding the FLC Conference and stressed that the City needs to be ready in the fall for the upcoming session.

He thanked Chief Cantaloupe for the help with the Dixon Diner regarding a recent break-in. He advised there was a lot going on, and it was not just here but everywhere.

Mayor Parrish expressed excitement about Lee Wenner Park and advised that September 5th was the Special meeting to adopt the proposed budget and September 13th was a Special meeting to adopt the Final budget.

He asked if the Flying J had emailed the City regarding an official ribbon cutting. The City Manager stated that the Ribbon Cutting was August 31st at 6 pm.

In closing, he felt that the City was very optimistic and he appreciates everyone.

XII. ADJOURNMENT.

* **MOTION by Deputy Mayor Boisvert; Seconded by Councilman Whipple, to adjourn the regular meeting of August 22, 2017.**

AYES: Parrish, Boisvert, Blanco, Warner, Whipple

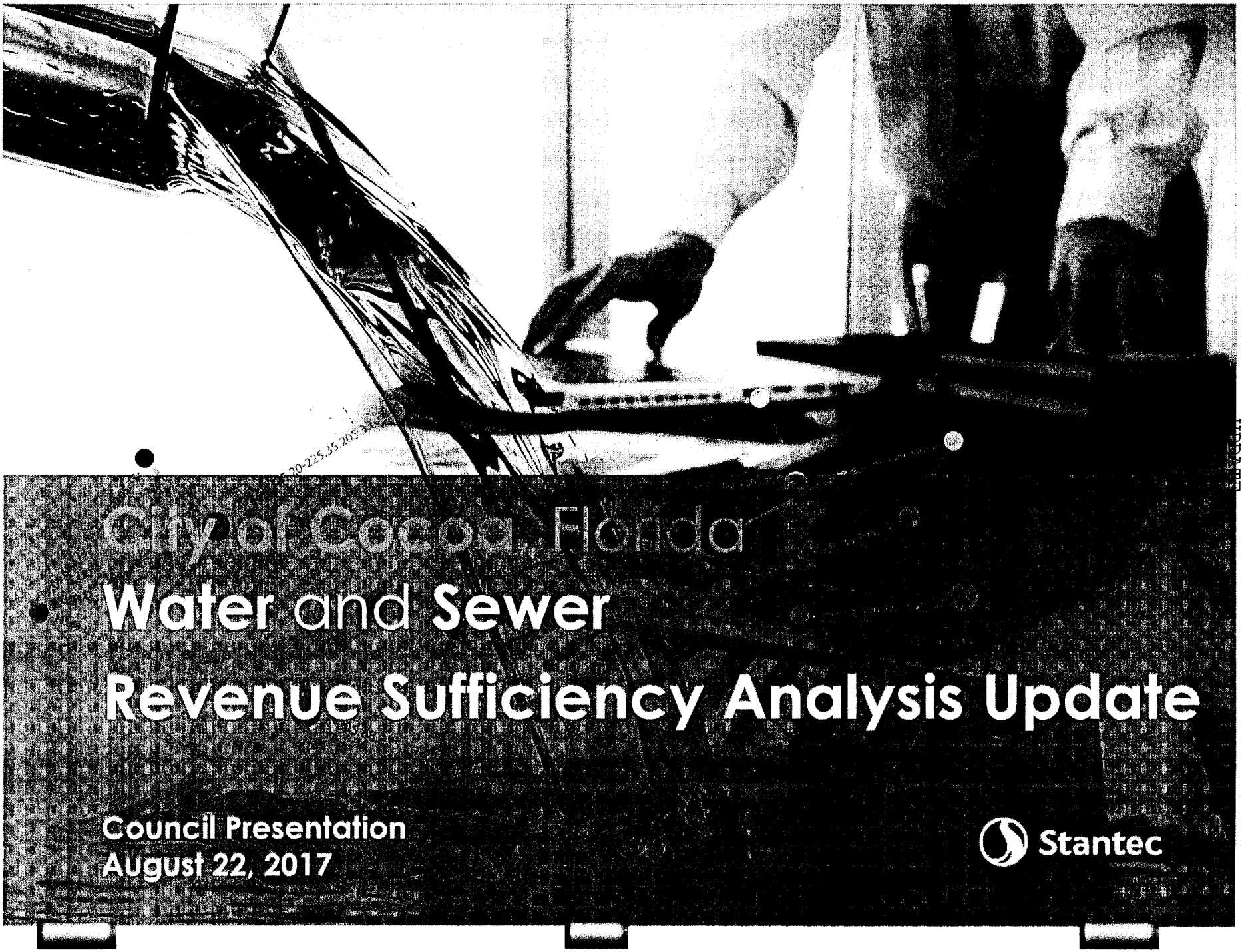
THE MOTION CARRIED UNANIMOUSLY (5-0)

The meeting adjourned at 8:17 p.m.

Henry U. Parrish III, Mayor

ATTEST:

Carie Shealy, City Clerk


City of Cocoa, Florida
Water and Sewer
Revenue Sufficiency Analysis Update
Council Presentation
August 22, 2017
Stantec

Our Project Team

- Government Financial Consultants
- 29 Years Serving Florida Clients
- Formerly Burton & Associates

- Michael Burton **Project Director**
- Erick van Malssen **Managing Consultant**
- Vita Quinn **Senior Consultant**
- Peter Napoli **Analyst**

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Agenda

1 Purpose

2 Analysis

3 Financial Plan

4 Fire Assessment

5 Recommendations



1 Purpose

Background

Scope

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Why Are We Here?

City contracted with Burton & Associates (now Stantec) in FY 2010 for a comprehensive rate study

- Included water, sewer, and reclaimed water
- Plan of 5% annual rate adjustments

Scope for Annual Updates

- Update 10-year financial plan
- Verify or adjust plan of rate adjustments as required

2 Analysis

Data Assumptions

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Data Sources

- FY 2016 Audited financials
- FY 2017 Budget & FY 2018 Proposed Budget
- Debt Service
- Capital Improvement Program

Required Restrictions

- Debt Service Coverage Requirements
- Reserve Policies

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Assumptions

- Cost Escalation
- Execution of Budget
- System Growth & Volume Forecast
- Interest Earnings
- Long-Term Borrowing Terms

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3 Financial Plan

Cash Flow Projections
Control Panel
Rate Comparisons

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FAMS-XL Revenue Sufficiency Model

Cash Flow Projection

- **10-Year** projection
- Calculates annual cash flow **surplus/deficit**
- Available reserves **graphically represented** with detail available

Cash In > Cash Out

- Surplus
- Builds reserve balances for future use
- ***Sustainable***

Cash Out > Cash In

- Deficit
- Draws down reserve balances or calculates long-term borrowing to pay for expenses
- ***Not sustainable***

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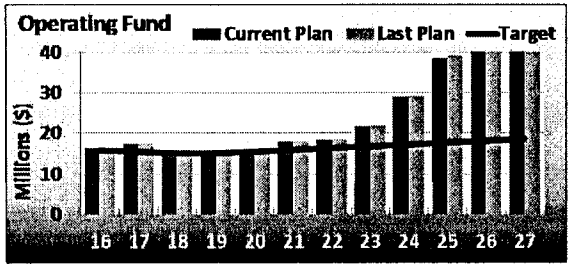
FAMS-XL Control Panel

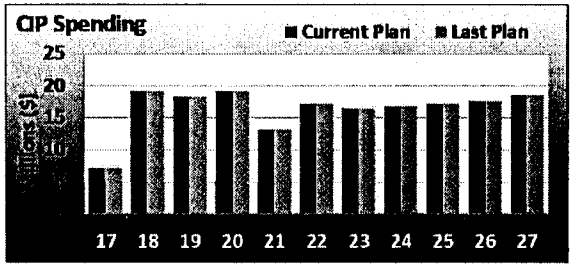
SAVE | CALC | ROLL

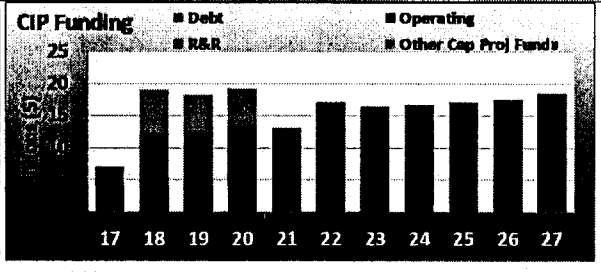
FINANCIAL ANALYSIS AND MANAGEMENT SYSTEM (FAMS) SUMMARY
City of Cocoa

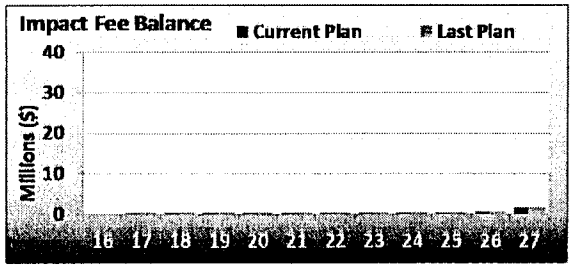
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Cumulative Change FY 2022	Cumulative Change FY 2027
Override ▶		4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%		
Water Rate Increases	0.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	21.58%	47.91%
Last Plan	0.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	21.58%	47.91%
Override ▶		4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%		
Sewer Rate Increases	0.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%		
Last Plan	0.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%		
Rate Covenant	3.81	4.12	4.41	4.26	4.46	4.77	5.10	7.47	7.98	8.55	9.81		
Last Plan	3.79	4.03	4.38	4.24	4.45	4.77	5.10	7.46	7.99	8.56	9.82		
CIP $ Redistribution ▶	-$22.00	-$8.00	$7.00	$7.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00		
CIP Execution % ▶	100%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%		
Operating Reserve Mo ▶	5	5	5	5	5	5	5	5	5	5	5		
Average Bill (5,000 gals.)	$75.95	$78.97	$82.10	$85.37	$88.79	$92.36	$96.03	$99.86	$103.90	$108.05	$112.36		
Last Plan	$75.95	$78.97	$82.10	$85.37	$88.79	$92.36	$96.03	$99.86	$103.90	$108.05	$112.36		

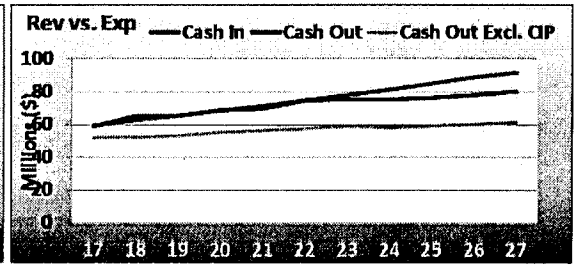
	FY 2017
PS Exec %	100.0%
OMV Exec %	100.0%
Check	-

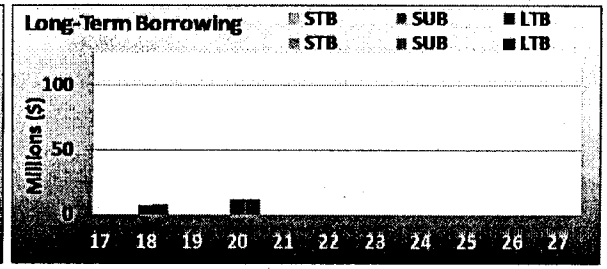






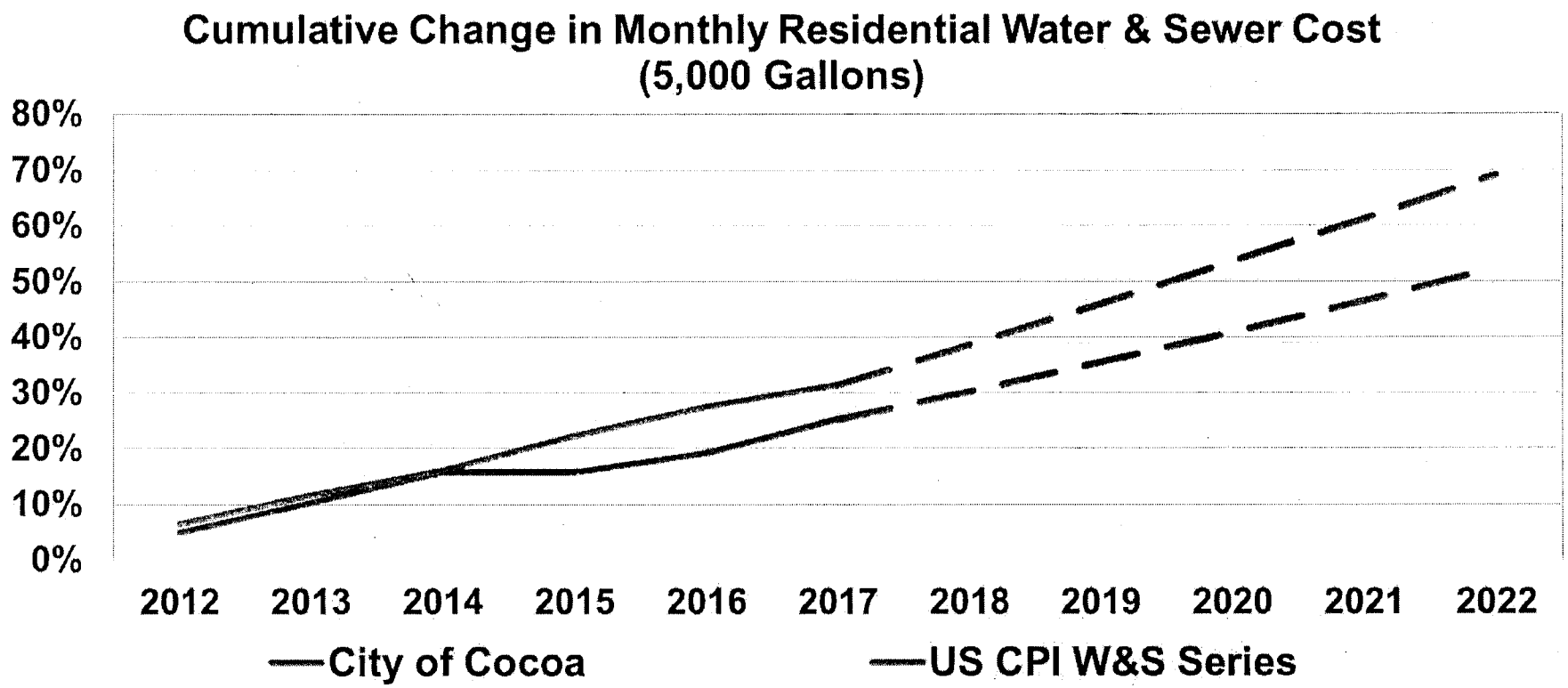






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Comparison to National Trends

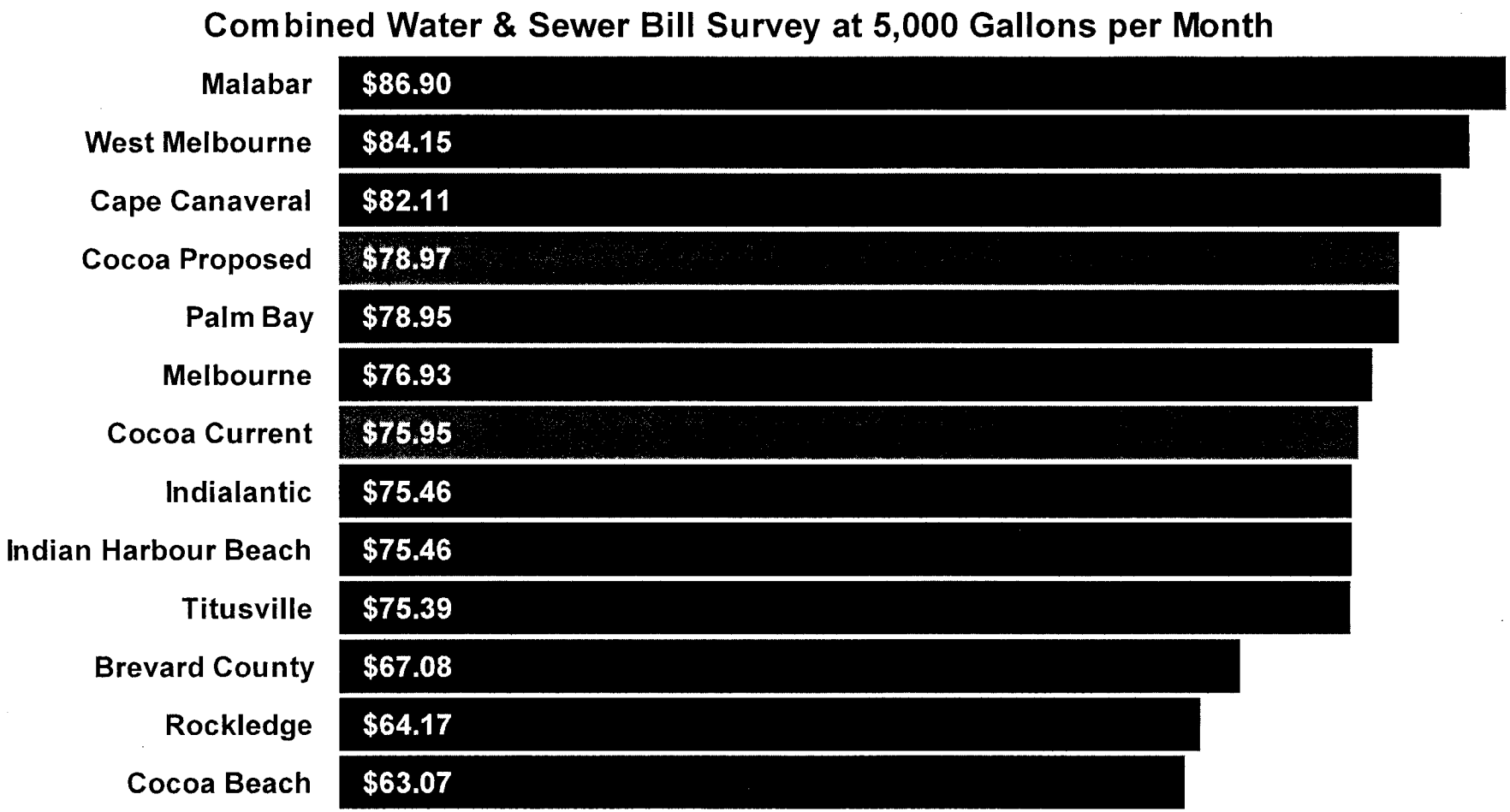


US CPI W&S Series 5-Yr Average Increase = 5.0%

US CPI W&S Series 10-Yr Average Increase = 5.6%

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Comparison with Local Entities



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4 Fire Assessment

Roll Update
Statutory Changes

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Fire Assessment Roll Update

Analysis

- Update property values
- Identify new parcels
- Analyze exemptions

Issues

- New exemption for certain **agricultural properties**
  - Exempts vacant agricultural properties
  - Agricultural properties with structures would be assessed
  - Revenue loss to City about $4k
- Debt service expense for fire station $105k higher in FY 2018

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Fire Assessment Roll Update

Results

- 5% increase for FY 2018 only, return to 3% increase in FY 2019
- Funds increased debt service
- Total billed revenue $2.4 million

Residential Assessment

FY 2017	FY 2018	$ Change	% Change
$193.57	$203.25	$9.68	5%

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5 Recommendations

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Recommendations

- Implement 4% across-the-board increase in all water, sewer and reclaimed water rates
- Effective October 1, 2017
- Implement 5% fire assessment increase for FY 2018

Basis for Recommendation

- Meets financial planning targets
- Provides sustainable plan for funding of capital project requirements

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Stantec Consulting Services

Presentation Contact Information

Michael Burton
Phone: 904-247-0787
Email: Michael.Burton@Stantec.com

Vita Quinn
Phone: 386-546-7719
Email: Vita.Quinn@Stantec.com

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