

MINUTES OF THE MEETING OF THE BOARD OF COUNTY COMMISSIONERS  
BREVARD COUNTY, FLORIDA

5:00 PM

The Board of County Commissioners of Brevard County, Florida, met in special session on September 10, 2013 at 5:30 PM in the Government Center Commission Room, Building C, 2725 Judge Fran Jamieson Way, Viera, Florida.

**CALL TO ORDER**

<b>Attendee Name</b>	<b>Title</b>	<b>Status</b>	<b>Arrived</b>
Robin Fisher	Commissioner District 1	Present	
Chuck Nelson	Commissioner District 2	Present	
Trudie Infantini	Commissioner District 3	Present	
Mary Bolin Lewis	Vice Chairman/Commissioner District 4	Present	
Andy Anderson	Chairman/Commissioner District 5	Present	

**INVOCATION**

The invocation was given by Pastor Dan Gish, River Run Christian Church, Melbourne

**PLEDGE OF ALLEGIANCE**

Chairman Andy Anderson let the assembly in the Pledge of Allegiance.

**ITEM I.C., REPORTS, RE: ROBIN FISHER, DISTRICT 1 COMMISSIONER**

Commissioner Fisher stated the Board asked him to have a conversation with the Washington Nationals concerning their Contract, and unfortunately because of the Sunshine Law, he was unable to share it with the Board until after the fact. He added, that on August 22, 2013, the Board put a package together concerning refinancing the stadium and taking advantage of the State funding to match the funds together, along with \$3 million that is sitting in the bank, which is possibly \$20 million incentive to remodel the stadium; and with that kind of money, it could possibly make the stadium big enough to put two teams there, if that really is one of the concerns the Washington Nationals of having another team in the area that they can play ball with. He stated the Washington Nationals hired a local attorney, Phil Nohrr, to represent them to talk about extra strategy; and he has tried to take the conversation of extra strategy to Viera Stadium, which is a good place that it already operates in, and the community is very supportive of baseball. He went on to say the Nationals are flirting with everyone out there trying to figure out a better thing; he stated they are finding out it is just not that easy to come to a community and drop a \$100 million for their wish list; and Brevard County has a current asset and a stadium which is an advantage that a lot of communities do not have. He stated the appraisal on the stadium was about \$19 million, and between the Nationals interest and the training facility in Viera, interest there is another \$13 million, therefore it has a \$30 million asset; and if he or she puts in the State money, the County refinancing, it really is a good package. He added, he asked the Nationals to respond before September 17th, and he does not believe they are going to be able to make that deadline according to Mr. Nohrr; he asked the Board if he was going in the right direction with the negotiations or not; if the Nationals do leave, and the County owns and operates the stadium, it definitely is going to need to get the training facility to make the whole complex work; and that is about a million dollars in expense in maintaining the

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stadium. He stated if the Nationals go away, the County could take the fourth cent and possibly not have to put as much towards baseball and put it elsewhere, but his mindset is he would still take the fourth cent to maintain the facilities; he is concerned about Parks and Recreation trying to maintain the stadium or trying to program it with little league baseball, and he does not think that is the best tenant; and according to the Attorney Knox, there is a concern about if all the pennies go away if one does not have a sport complex running the stadium. He continued to say he believes it is in the best interest to have a baseball team like the Nationals operating it; he inquired if the Nationals say yes, is the Board comfortable with what is on the table; if the Nationals decide to say no, and he believes they are still shopping to see where their best offer might be; he believes the County should let the world know that it is in the baseball business; and if the offer is good enough for the Nationals, maybe it would be good enough for the Houston Astro's or somebody else. He stated he believes it would be hard for the Nationals to be out of Viera in the next year or two. He stated if the Nationals can shop around, then the Board can shop too; but there is no need to shop if the Commission does not support him in trying to attract another baseball team, or to keep the Nationals.

Chairman Anderson stated it is hard to explain that if there is no professional team in the stadium, the cost of maintain it would be more than the debt service the County would pay to upgrade it to get a new team in, and that is not going to come out of the General Fund; the tourism industry has to understand that; and he is going to make sure that it comes out of tourism money. He added the County does not have the General Funds to pay someone \$750,000 to \$1 million a year to maintain a stadium; the maintenance money is actually a lose/lose because if one does not have a pro-team, the stadium is not going to get the visitation that it had, therefore the revenue on the tax is actually going to decline; and he thinks the Tourism Development Council (TDC) is going to end up in a worse place, because they have to pay for maintenance and have lost heads and beds. He continued to say he went to the Board of Directors meeting for Florida Association of Counties; both Commissioners from Osceola and Lee Counties were there; Osceola County has an offer on the table to the Nationals for the Houston Stadium to upgrade that; and Lee County commented they were going after the Nationals as well, but he does not think they have the financial capacity. He stated he told the County Management earlier when the Mayor of Cocoa Beach wanted to have a meeting that it is hard for him to discuss something without seeing what the Nationals are going to present back; he thinks there was some in the tourism community and the Mayor that wanted to have a meeting and discuss it; and no one knows if the Nationals are going to say yes, no, or counter offer. He added, in good faith the Board selected Commissioner Fisher to negotiate, and until they get some kind of counter back, it is kind of hard to determine; the Board has to do what is the least expensive thing which is to keep a team in there; the most expensive thing is to go empty and pay for maintenance and operation of a 20-year old stadium that has lots of issues that can not sell; and even if the County was to sell at a discount, it would be hard to answer to the taxpayers that they paid \$20 million and it was sold to a developer for \$1 million. He continued to say it is a tough situation; this Commission did not build the stadium, but it is something one has to deal with; and having a major baseball team is a good deal for Brevard County. He stated the hotels in the south had Nationals fans there almost the entire spring training season; one bed and breakfast was full to capacity and it brings a lot of people to the area.

Commissioner Infantini stated when Commissioner Fisher was given the opportunity to do negotiations she thought it was negotiating their departure; it was not on her part to negotiate a huge buy back to stay with Brevard County; and she is not a big fan of buying people to stay here. She added, Brevard County is an excellent bargain for anybody, so for them to want to leave, she thinks they are looking at the wrong place for love; they probably should have found it here; and if they cannot find it here, they are not going to find it anywhere. She continued to say Okeechobee County recruited a team; they built the stadium and ten years later the team was gone; now they are saying what are they going to do with their stadium; and if one keeps

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pitching to the teams when they do not have enough teams to play with, they are going to keep playing county after county and making fools out of the Commission if it keeps offering them more and more money to stay. She stated she is willing to accept the loses, to let them sell off or maintain the training facility, and the Board will do what it has to do with the rest of it. She added, the taxpayers she has spoken with do not want to go forward with buying the team and encouraging them to stay.

Chairman Anderson stated he has received so many emails that want to retain a major league team; however, in all fairness to Commissioner Fisher, he was negotiating a exit strategy and in the meantime Osceola deal went south. Commissioner Infantini stated that should have let him know right there that they are not in the negotiating position.

Commissioner Bolin Lewis stated her concern is the reason why the Nationals are leaving; inquired if it is the stadium or if it is the distance; and stated those two factors going to be also a problem if someone else is recruited. Commissioner Fisher opined the Nationals ultimately have a design in a facility that they would like somebody to build it for them near teams; and what they are finding is it is not that easy to do. He added, the Viera Stadium is dated at 20-years old; stated he thinks Brevard County starts off in a better position than most because it has a current asset; and Brevad County can get attractive pretty quick. He stated what makes Brevard County nice is all the assets that it has; and the stadium is one of those assets, as well as the parks, the Zoo, and the beaches; and if one starts pulling these assets, having a professional baseball team here is an asset and a benefit. He added, he does not believe there would be three votes to tear-down the stadium; that is an asset the Board is going to have to maintain for the next hundred years; he inquired if that is true, who is better to manage it, than the Counties Parks and Recreation Department; and he inquired does the County want to compete with Cocoa Expo, or does everyone want to try and keep a professional team. He stated he spoke with Attorney Knox and the Board probably needs to change the legislation because all the pennies are at risk right now; if the stadium does not stay, then people need to worry about the first, second, third, and fifth cent being at risk too, because that is how the whole thing was approved. He asked for help from the Board as to keep moving forward or not.

Chairman Anderson stated to keep moving forward with negotiations, because eventually it has to come back to the Board; and he understands the economic loss at losing the Nationals.

Commissioner Nelson stated he thinks the Board should not be closing any opportunities out; he still does not know exactly how he feels about the overall deal, because the devil is always in the details; from his perspective, he thinks everyone needs to continue the discussion, because the key has been the distance issue for the Nationals; and if the County does not have two teams he thinks the decision will be made by them to do something else. He added, it still has to come back to the Board; ultimately with Osceola County their deal was a two-team deal although they only had the Nationals on the hook, and they backed away; and he does not think it hurts the Board to continue the process, but he does want to see the details.

Chairman Anderson stated the Nationals travel a lot less than a lot of other teams. Commissioner Fisher stated he is not buying into the travel thing; he reiterated he asked them to come back on September 17th, and Mr. Nohrr stated his client was not ready to make the decision and needed more time, and he knows why because they are talking to other people; he hates holding the offer out just for the Nationals; if it is good enough for them, then he thinks it should be good enough for other baseball teams; and inquired if the Board is prepared to put someone else in the stadium if the Nationals go. He added, he knows the details need to be worked out, and he wants a 20-year deal, and wants more community use, and he thinks they can work through the things; in concept, he is trying to get a feel for if the Board wants to go after baseball; if so, the County is going to have to remodel the current facility to get someone else in there; and it is going to take some dollars to do it.

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Commissioner Bolin Lewis stated if the National are out dancing with other people, she would like Commissioner Fisher to go out dancing also, because the Board needs to know whether or not this is viable to any other teams; and if it is not, then it completely changes the Boards direction. Commissioner Fisher stated he has been receiving emails from people saying they would rather fix the roads; they have been misinformed; if the Nationals do not stay, then the money can not be used for pot holes, roads, and other things; and it is a tax that has to be used for sports. Chairman Anderson noted he tried to use it for lifeguards, and it can not be done. Commissioner Fisher added, it is very limited what the dollars can be used for; and he thinks he understands what the Board is saying about negotiations with the Nationals.

**ITEM I.D., REPORTS, RE: CHUCK NELSON, DISTRICT 2 COMMISSIONER**

Commissioner Nelson stated there was a ground breaking Friday at Griffis Landing at Blue Crab Cove; this is the first phase of the waterfront improvements; and the next phase will be the upland improvements. He added, Jerry Sansom, Chairman of Florida Inland Navigation District (FIND), was there; and FIND has been a strong partner in the project, both in the acquisition and the development. He thanked the Parks and Recreation staff who assisted with the event, Vicky Bennett, Fred Amy, and Tommy Kirk; and also thanked Ernie Brown, and his staff, Matt Culiver, for the work they have done because it is the next step in the commercial fishing industry along the Lagoon. He added, he will be going to a collaborative group with four other counties that also are part of the Lagoon.

Commissioner Fisher congratulated Commissioner Nelson on the success of the project.

**ITEM I.E., REPORTS, RE: TRUDIE INFANTINI, DISTRICT 3 COMMISSIONER**

Commissioner Infantini stated the Florida Institute of Technology football team is still undefeated; they have not lost a single game to date; and they are the only college football team that she is aware of that has not lost any games at all. She congratulated Florida Institute of Technology for getting off to a great start.

**ITEM I.F., REPORTS, RE: MARY BOLIN LEWIS, DISTRICT 4 COMMISSIONER, VICE CHAIRMAN**

Commissioner Bolin Lewis congratulated Viera High School for receiving the 2012/2013 Florida High School Athletic Association Sportsmanship Award for Class 7A, Section 2; stated this award is presented to schools whose sport programs had the qualities of sportsmanship as demonstrated by the coaches, the players, and the spectators; and she wished the Hawks a great, successful year.

**ITEM II.A., PUBLIC HEARING, RE: PRESENTATION OF THE REVISED TENTATIVE FY 2013-2014 MILLAGE RATES**

Chairman Anderson called for the public hearing for the presentation of the Revised Tentative FY 2013-2014 Millage Rates.

Howard Tipton, County Manager, presented a PowerPoint presentation of the FY 2013-2014 changes to the tentative budget overview. He stated by July 15th, the budget is submitted to the Commissioners; to accomplish this, preliminary tentative departmental budgets must be

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completed by the end of April; and basically, staff is project completion/balance forward estimates compiled five months before year end; and staff wants to make sure it starts the year off with as accurate numbers as possible, and they update the numbers in early August. He added, then ad valorem revenue estimates calculate two months before certified property valuations are received from Property Appraiser; the changes that are being proposed to the budget have no impact on the tax rates; the budgeted ad valorem revenues are supplied to departments after Board adoption of tentative millage rates in July; and once he gets the Board's tentative direction, staff then goes forward cementing things up and plugging things in. He continued to say some of the major revenues are projected two months before availability of estimates from the State Department of Economic and Demographic Research; the departments continue to look at their balances and projects, and also look at grant dollars, which come up from time to time, and can also make an impact and a change; and with that, he presented new numbers for the Board's consideration. He stated Public Works is the biggest change at \$11,400,000; the largest single part of that was \$5 million in grant money for the St. Johns Heritage Parkway broken up into two different grants, one of \$3.1 million, and the other \$2.1 million; Natural Resources is up in terms of size at \$4.8 million; and \$2.9 of that is for stormwater projects that are being carried forward, which includes Fortenberry, Crane Creek, Lamplighter, and Pine Island. He continued to say Fire Rescue is up at \$2.5 million; the largest part of that is the recently approved Safer Grant, and those grant dollars are being recognized; he mentioned as part of the review that it is going to have throughout this coming year at the workshops is that he is going to be pulling back all of the Capital Improvement Project's (CIP) out of Fire Rescue that have to do with fire assessment; the fire assessment is going to be a big topic for the Board to discuss and he wants to make sure everyone has all their options on the table and do not have dollars committed; and he hopes to schedule the discussion in November so it is not losing much of the year so it can move forward on the projects the Board wants to approve.

Commissioner Infantini inquired if staff is going to stop investing buying fire trucks; with Mr. Tipton responding yes, they will stop buying fire trucks. He stated Fire Assessment dollars are used for fire equipment, fire stations, and fire station rehab; when one has over 30 facilities, there is a lot to do. He continued to say Parks and Recreation is at about \$1.8 million, and the largest piece is the addition of the \$1.3 million that it would have been spending on Department of Juvenile Justice (DJJ) that staff moved into the Parks and Recreation Department; Transit Services at \$673,000, basically there was some vehicles that it has purchased that will not be delivered before September 30th, they will be delivered next year, so it is carrying that forward; the Tourism Development Office was both an elimination of debt as well as some additional stadium projects; and those projects are primarily around water proofing for the underneath areas. He went on to say Central Services was small at \$228,000, and basically a balance forward from a couple of different projects; when he get down to 'Others' it is a negative \$6,452,402 million, that includes the single largest one, which is Solid Waste; when the Board approved the rate fees for the collection of the trash in the County, it kept the rates the same; that required using \$4.2 million of the reserves that was built up; that is the single largest item of the \$6.4 million; included in that, when one spends money in one area, such as Parks and Recreation for DJJ, it also is going to decrease the expense to DJJ because it is not having it; and that is \$1.3 million not going to them. He added, for Valkaria Airport there was a reduction in the grant funding to match, and that was \$.8 million; and that covers the highlights of some of the changes.

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**ITEM II.A.1., PUBLIC HEARING, RE: ANNOUNCEMENT OF THE PERCENTAGE CHANGE IN THE FY 2013-2014 TENTATIVE AGGREGATE MILLAGE OVER THE AGGREGATE ROLLED BACK RATE**

Chairman Anderson called for the public hearing for the announcement of the percentage change in the FY 2013-2014 tentative aggregate millage over the aggregate rolled back rate.

Howard Tipton, County Manager, stated for Agenda Item II.A.1., it allows for the tentative operated millage rate to fund the portion of the Fiscal Year 2013-2014 budget that is supported by property taxes.

Tom Rosenberg, Budget Director, announced the aggregate tentative millage rate for the FY 2013-2014 budget is 7.0537; the tentative aggregate rate is 1.03 percent less than the aggregate current FY 2012-2013 millage rate of 7.1271; the aggregate rolled back rate for FY 2013-2014 budget is 6.9115; the aggregate tentative millage rate for the FY 2013-2014 is 7.0537; and the tentative aggregate rate is 2.06 percent more than the aggregate rolled back rate.

**ITEM II.A.2., PUBLIC HEARING, RE: PUBLIC COMMENT: REVISED TENTATIVE COUNTY BUDGET FOR FY 2013-2014**

Chairman Anderson called for the public hearing to listen to public comment on the revised tentative County Budget for FY 2013-2014.

Tom Rosenberg, Budget Director, stated the revised tentative County Budget FY 2013-2014 is \$958,548,757; the budget represents a decrease of 6.7 percent, or \$68,640,533 from the FY 2012-2013 amended budget of \$1,027,189,290.

Sara Ann Conkling stated she is speaking out on behalf of the children at Country Acres; she will be talking about numbers today, but she believes everyone knows the children are not numbers; it is a legitimate question why the beds at Country Acres are not more full; she does not have a complete answer to that question; but she does have some insight from being on the Country Acres Advisory Board. She added, the biggest single driver of why the beds are not more full is that Florida Department of Children and Families (DCF) is not empowered to remove enough from enough children that need to be removed from abusive situations; police officers have come to the Advisory Board to tell them about the calls they answered, the homes they see, and the children they feel should be removed that DCF is empowered to remove; and Juvenile Justice is telling them children are so desperate to get out of bad situations that they commit crimes in order to be removed, because they have no hope of getting removed otherwise. She continued to say years ago the laws in Florida changed at the State level, and the climate changed with the regards to the safety of the children; DCF, which is charged with removing children from neglect and abuse, now has a very strict criteria for doing so; and these criteria do not include many situations that he or she would consider legitimate for removing a child from an abusive home. She stated of the children who do get removed who meet the statutory criteria, about eight percent are placed in group homes in Brevard County; these are the eight percent for who no safe relative, neighbor, or foster home can be found; these are the children with the most severe history of abuse and neglect; these children who have been repeatedly raped and beaten and feared for their lives; and they have behavioral issues related to traumatic stress, and have forfeited childhoods. She stated she believes Country Acres has worked hard to become a safe haven for these children; it now has on site professional mental health services and all of the direct care staff are certified mental health technicians; she believes in general they are doing a very good job with very traumatize children; and that has made it better by many people in the community who actively care about the children. She

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stated with the limited number of children who are being placed in group homes, that it is a competitive situation for placement; two things he or she needs to do to improve Country Acres attractiveness in that regard, is that the Board needs dump a \$12,000 grant that it is getting from the Department of Education that provides food, but to also tells them exactly what one can feed the children and when. She asked for help in directing County Management to dump the grant so that he or she can make meal times better for the children and make them more family like; the other issue has to do with the fact that the job at Country Acres of direct care has changed dramatically in the past few years because of the nature of the children that it serves; some of the staff are showing some challenge with that; and it is a management issue, which she has referred it to the management. She continued to say Brevard Family Partnership wants to place more children there who are now going to be eligible for placement because foster age has been increased to 21; she believes Country Acres will be in a better position because management is more willing to consider some of the things that need to be done; and Brevard Family Partnership is enthusiastic about Country Acres right now. She concluded Country Acres needs the Board's help; these are children and everyone is called to do their best for them; and she thanked the Board for caring for them.

Commissioner Nelson stated the Board needs a community call to action because it was moving in the right direction and somehow it has gotten off track; he is going to withdraw his objection to the funding, but he is going to make this challenge to Ms. Conkling and to the Board; it has one year to bring this up, whether it is the \$12,000 grant that is causing the problems; he would like to get the commitment from Ms. Conkling that she will address the funding, because it is expensive; and it is a State responsibility. He stated he agreed with keeping the kids closer to their homes as a better alternative than turning them over to the State and having them go elsewhere; but it needs a commitment on part of the community to step up and figure out how the County can do this better and less expensive. Ms. Conkling stated he has her commitment. Chairman Anderson stated an example is Nana's House in South Brevard; the Board has to find a way to make Country Acres self-sufficient like the other non-profits; and it has people who will help do that. Commissioner Infantini thanked Ms. Conkling for what she is doing with Country Acres. Commissioner Fisher stated Country Acres understands they need to rely less on government and become self-sufficient; he thinks in reality in one year it can change; a different business model are things they can take opportunity of; and he is looking forward to working with Country Acres on it.

Gay Hammond stated she has supported Country Acres for many years. She read aloud 'How Country Acres Began', "Country Acres was established in 1970 by the Brevard County Board of County Commissioners to serve dependent children who have suffered abuse, neglect, and or abandonment, and for over four decades it has continued to care for and protect our County's most valuable and vulnerable resources, our children". She thanked the Board, and hopes it will consider with the cuts in the budget for this year it will do all it can to keep Country Acres open.

Ron Taylor stated he speaks for the homeowner and the small business person; he thinks it is important to remember the economic situation that everyone is in now; and there is a lot euphoria going around that he or she is coming out of this recession, but actually in a very critical time. He added, a lot of the valuation increase was based on optimism in the housing market; it is important to understand that bump was due to large financial interests in buying up homes throughout the United States; he is also seeing where interest rates are projected to go extremely high; and with this, he or she needs to be careful that the optimism about the housing market valuation increasing can lead to bad decision making. He noted, a lot of the decisions the Board make do not just effect a year from now, they effect many years into the future. He stated he is personally favor a bare bones budget that emphasizes Public Works; and to him, those are areas in which there is a direct investment in the area and has a benefit to the public, to the valuation of homes, valuation to neighborhoods, and it also employs people. He

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continued to say he favored the increase in the public employees; he is on the side of the County workers; however, he would like to see restructure to some of the County organizations; he has difficulty with the structure of Mr. Tipton organization; he thinks there could be tremendous savings if there was reorganization; and the County could eliminate some silly expenditures, such as the helicopters. He stated he has difficulty with the Stadium issue, and does not think it is time; again, he is not sure the climate over the next few years and possibly exposing the County to some financial exposure. He added, he favors a business friendly regulatory environment instead of tax lures; it has been shown tax lures are not that good, there is very good data to that and these are areas the Board can make cuts to fund the County employees, which deserve it. He stated it is appropriate to ask each Commissioner who he or she represents; and he believes in a representative government and the one represents the people.

Jay Parrish, President of the Space Coast Realtors, stated what the Board does with taxes and services is vitally important to the real estate industry and Brevard County for its continued recovery, which he feels confident it is on a solid path to recovery; the services, ad valorem taxes, in particular, are very critical to the realtors; and they will continue to stay engaged and involved. He suggested talking about ad valorem taxes on the average businesses more in Brevard County; no one talks how Brevard County competes with one county versus another; and it does have a lot of good competition around. He went on to say the best practice in corporate America now takes feedback from their customers; they want their customers to be happy; the customers are not just citizens, but business owners, people applying for permits; and if government is efficient, it also makes private enterprise efficient.

Charles Tovey stated he has remedies and things he would like to provide for the County to help on the budget.

The Board accepted public comments concerning the proposed budget and tentative millages for the County's 2013-2014 Fiscal Year, including Charter Officers and Dependent Special Districts.

**ITEM II.A.3., PUBLIC HEARING, RE: ADOPTION OF THE FY 2013-2014 TENTATIVE MILLAGES**

Chairman Anderson called for a the public hearing to adopt the FY 2013-2014 tentative millages.

Howard Tipton, County Manager, recommended that the Board of County Commissioners discuss and tentatively adopt the FY 2013-2014 millages; and any changes to the millage rate under this item will be recomputed and announced under Item II.A.4.

Commissioner Nelson stated these are the same numbers that the Board approved as the tentative millage, and made a motion to approve the item.

Commissioner Infantini stated she is not comfortable with the Fire Control MSTU; the Board has been on a spending spree recently, purchasing a lot of fire trucks and she does not see the justification for; and when the County purchased a ladder truck, she has never seen a single instance when it needed one, but she is sure there is a couple in the past ten years. She added, the Board should be cutting this referendum; she knows the voters voted on it, but at the time, the Board was not required to make a fiscal impact when voted on issues on a referendum; now it has to fortunately; therefore, the Board did not understand into perpetuity to constantly buy more and more equipment whether it needs it or not; and for this particular millage rate, she is not okay with it. She asked if staff can pass them all except for Fire Control

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MSTU. Chairman Anderson stated the Board will note that Commissioner Infantini objects, voting nay, to the adoption of the FY 2013-2014 tentative millage of the Fire Control MSTU.

The Board discussed and tentatively adopted the FY 2013-2014 millages.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Chuck Nelson, Commissioner District 2
<b>SECONDER:</b>	Mary Bolin Lewis, Vice Chairman/Commissioner District 4
<b>AYES:</b>	Fisher, Nelson, Infantini, Bolin Lewis, Anderson

**ITEM II.A.4., PUBLIC HEARING, RE: ANNOUNCEMENT RECOMPUTED FY 2013-2014 AGGREGATE TENTATIVE MILLAGE**

Chairman Anderson called for the public hearing of the announcement of the recomputed tentative aggregate millage and percentage of deviation from the aggregate rolled back rate.

Tom Rosenberg, Budget Director, announced the recomputed FY 2013-2014 aggregate rolled back rate of 6.9115 mills; the aggregate tentative rate at 7.0537 mills; and the tentative aggregate rate is 2.06 percent, more than the aggregate rolled back rate.

There being no comments or objects, the Board acknowledged the announcement of the recomputed FY 2013-2014 aggregate rolled back rate of 6.9115; the aggregate tentative of 7.0537; and the percentage change at 2.06 percent, including voted millages.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Chuck Nelson, Commissioner District 2
<b>SECONDER:</b>	Mary Bolin Lewis, Vice Chairman/Commissioner District 4
<b>AYES:</b>	Fisher, Nelson, Infantini, Bolin Lewis, Anderson

**ITEM II.B.1., PUBLIC HEARING, RE: APPROVAL OF THE STORMWATER UTILITY RESOLUTION RATIFYING, CONFIRMING, AND CERTIFYING THE ANNUAL STORMWATER UTILITY SPECIAL ASSESSMENT**

Chairman Anderson called for the public hearing to consider a Stormwater Utility Resolution ratifying, confirming, and certifying the Annual Stormwater Utility Special Assessment.

There being no comments or objections heard, the Board adopted Resolution No. 13-141, ratifying, confirming, and certifying the Annual Stormwater Utility Special Assessment Rolls for the Fiscal Year beginning October 1, 2013.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Mary Bolin Lewis, Vice Chairman/Commissioner District 4
<b>SECONDER:</b>	Robin Fisher, Commissioner District 1
<b>AYES:</b>	Fisher, Nelson, Infantini, Bolin Lewis, Anderson

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**ITEM II.B.2., PUBLIC HEARING, RE: ADOPTION OF RESOLUTION CERTIFYING MUNICIPAL SERVICE BENEFIT UNIT ASSESSMENT ROLLS TO TAX COLLECTOR**

Chairman Anderson called for the public hearing to consider a resolution certifying Municipal Service Benefit Unit Assessment Rolls to the Tax Collector.

There being no comments or objections heard, the Board adopted Resolution No. 13-142, ratifying and certifying the Municipal Service Benefit Unit (MSBU) Assessment Rolls for Fiscal Year 2013-2014.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Chuck Nelson, Commissioner District 2
<b>SECONDER:</b>	Mary Bolin Lewis, Vice Chairman/Commissioner District 4
<b>AYES:</b>	Fisher, Nelson, Infantini, Bolin Lewis, Anderson

**ITEM II.B.3., PUBLIC HEARING, RE: ADOPTION OF SCHEDULE OF RATES, ASSESSMENTS AND CHARGES FOR FIRE SERVICE OPERATIONS, HAZARDOUS MATERIALS SPECIAL OPERATIONS TEAM, FIRE PREVENTION AND INSPECTION FEES; AND RATIFICATION, CONFIRMATION, AND CERTIFICATION OF THE ANNUAL FIRE SERVICES NON AD VALOREM ASSESSMENT ROLL**

Chairman Anderson called for a public hearing to consider schedule of rates, assessments and charges for Fire Service Operations, Hazardous Materials Special Operations Team, Fire Prevention and Inspection Fees; and ratification, confirmation, and certification of the Annual Fire Services Non Ad Valorem Assessment Roll.

Commissioner Nelson asked for confirmation that there are no changes. Howard Tipton, County Manager, confirmed there being no changes.

There being no further comments or objections heard, the Board adopted Resolution No. 13-143, for the Annual Fire Services Special Assessment Rate, the Fire Prevention and Inspection Special Rates, and the Hazardous Materials Operations Team Schedule of Rates for the Fiscal Year beginning October 1, 2013; and adopted Resolution No. 13-144, Ratifying, Confirming, and Certifying the Annual Fire Services Non-Ad Valorem Special Assessment Roll for the Fiscal Year beginning October 1, 2013, and forwarding same to the Tax Collector's Office for collection in the same manner as ad valorem taxes are collected.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Chuck Nelson, Commissioner District 2
<b>SECONDER:</b>	Mary Bolin Lewis, Vice Chairman/Commissioner District 4
<b>AYES:</b>	Fisher, Nelson, Infantini, Bolin Lewis, Anderson

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**ITEM II.B.4., PUBLIC HEARING, RE: ADOPTION OF A RESOLUTION ESTABLISHING USER FEES FOR FY 2013-2014 FOR THE MELBOURNE-TILLMAN WATER CONTROL DISTRICT**

Chairman Anderson called for the public hearing to consider a resolution establishing user fees for FY 2013-2014 for the Melbourne-Tillman Water Control District.

There being no comments or objections heard, the Board adopted Resolution No. 13-145, establishing user fees for Melbourne-Tillman Water Control District for Fiscal Year 2013-2014.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Trudie Infantini, Commissioner District 3
<b>SECONDER:</b>	Mary Bolin Lewis, Vice Chairman/Commissioner District 4
<b>AYES:</b>	Fisher, Nelson, Infantini, Bolin Lewis, Anderson

**ITEM II.B.5., PUBLIC HEARINGS, RE: ADOPTION FINAL FY 2013-2014 BUDGETS**

Chairman Anderson called for the public hearing to consider adoption of the final budgets for FY 2013-2014

There being no comments or objections heard, the Board adopted the final budgets for the Districts and Programs as follows: Solid Waste Management at \$121,428,576; Stormwater Utility at \$18,640,765; Fire Rescue Operations Assessment at \$30,809,935; Municipal Service Benefit Units at \$47,633; Melbourne-Tillman Water Control District at \$6,003,398; and adopted Resolution No. 13-146, adopting final operating budget for Melbourne-Tillman Water Control District.

<b>RESULT:</b>	<b>ADOPTED [4 TO 1]</b>
<b>MOVER:</b>	Robin Fisher, Commissioner District 1
<b>SECONDER:</b>	Chuck Nelson, Commissioner District 2
<b>AYES:</b>	Robin Fisher, Chuck Nelson, Mary Bolin Lewis, Andy Anderson
<b>NAYS:</b>	Trudie Infantini

**ITEM II.C.1., PUBLIC HEARING, RE: TENTATIVE APPROVAL OF A RESOLUTION ADOPTING THE FY 2013-2014 BREVARD COUNTY BUDGET**

Chairman Anderson called for the public hearing to consider tentative approval of the FY 2013-2014 Brevard County Budget.

Tom Rosenberg, Budget Director, advised the revised tentative budget for 2013-2014 is \$958,548,757, which represents a decrease of 6.7 percent, or \$680,640,533 from the FY 2012-2013 amended budget \$1,270,189,290.

There being no comments or objections heard, the Board granted tentative approval of resolution adopting the County's total budget for FY 2013-2014, which includes \$767,181,893 for County agencies; \$128,132,286 for Charter Officers; and \$63,234,578 for Dependent Special Districts.

**RESULT:** ADOPTED [4 TO 1]  
**MOVER:** Mary Bolin Lewis, Vice Chairman/Commissioner District 4  
**SECONDER:** Chuck Nelson, Commissioner District 2  
**AYES:** Robin Fisher, Chuck Nelson, Mary Bolin Lewis, Andy Anderson  
**NAYS:** Trudie Infantini

**ITEM III.A.1., RESOLUTION, RE: RECOGNIZING AND CELEBRATING JOHN JOSEPH BOURKE'S 100TH BIRTHDAY**

The Board adopted Resolution No. 13-147, recognizing and celebrating John Joseph Bourke's 100th Birthday.

**RESULT:** ADOPTED [UNANIMOUS]  
**MOVER:** Chuck Nelson, Commissioner District 2  
**SECONDER:** Trudie Infantini, Commissioner District 3  
**AYES:** Fisher, Nelson, Infantini, Bolin Lewis, Anderson

**ITEM IV.A., RESOLUTION, RE: FY 2013-2014 BUDGET FOR BAREFOOT BAY WATER AND SEWER DISTRICT**

The Board acting as the Governing Body of Barefoot Bay Water and Sewer District, adopted Resolution No. 13-001, adopting the Barefoot Bay Water and Sewer District Budget for Fiscal Year 2013-2014.

**RESULT:** ADOPTED [UNANIMOUS]  
**MOVER:** Trudie Infantini, Commissioner District 3  
**SECONDER:** Chuck Nelson, Commissioner District 2  
**AYES:** Fisher, Nelson, Infantini, Bolin Lewis, Anderson

**ITEM IV.B., DISCUSSION, RE: COMMERCIAL PAPER PAYMENT SCHEDULE FOR MOSQUITO CONTROL HELICOPTERS**

Commissioner Infantini stated many members of the Board approved the acquisition of a couple of helicopters, and also approved financing; what was not approved was the terms of the financing, and that has brought Steve Burdett, Clerk of Courts Finance Department, to discuss how it should be financed; and should the Board be allowing a balloon payment to be made by Commissioners after their terms are up. She added, right now the financing structure that was originally offered was to have five years of interest payments of about \$350,000, and then in five or six years have a big balloon payment; at that time, all five of the Commissioners would be gone and leaving the burden of the debt, a ginormous debt, to other people other than themselves; and he or she could look back and blame the Board asking why did they not plan ahead. She asked for the Board to look ahead, and a little pity on the people who are going to

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be the next Commissioners to not burden them with a great deal of debt. She continued to say she would like to set a good model going forward, good behavior begets good behavior, and hopefully if the Board sets a good role model, then the people who follow will also set a good role model.

Peter Fusscas stated he is concerned about the proposed financing of the two helicopters under the five-year balloon; and as Commissioner Infantini pointed out, there will be a new Board when the balloon payment becomes due. He added, given the global economic climate, as well as the United States economy, the question that needs to be asked is if it is fiscally prudent to finance a long-term capital asset with short-term debt; does it make sense to pay a variable interest rate for a long-term capital expenditure for helicopters useful life is twelve years or longer, and using short-term commercial paper that rolls over every six months. He continued to say interest rates are some of the lowest in the country, in American history; inquired how long will these interest rates remain at zero; how long will it last, two years, five years, ten years; what is the useful life of the helicopters; stated management states that refinancing these variable rates into fixed rates can be done in the most advantageous time; and he suggested the advantageous time is right now. He stated locking into very long-term rates today will eliminate the risk of rate increases down the road on the variable interest rates; long-term interest rates generally follow short-term interest rates; and it seems to him that after the horse is out of the barn, it is too late to close the door. He went on to say adding to the cost of burden is amortizing, the closing cost, the investment fees over the life of the bond, and paying an interest rate on it; he does not know what the cost are because it is not mentioned in literature he has reviewed; and he would be interested if there has been a fiscal impact statement comparing long term financing with this short-term commercial paper. He asked the Board does financing in this manner remove the County from the requirement that go to public referendum for approval of helicopters; stated any capital asset acquired is exempt from going to referendum if using short-term paper; in other words, if it is less than a year and he or she is not using ad valorem taxes to service the debt, one does not have a requirement to put any capital project through referendum; it seems to him the Florida Local Government Finance Commission was set up specifically to circumvent the requirement to go to a referendum; and he inquired why is the Board doing it this way. He pointed out staff has changed the financing several times before it is at this position; the Florida Local Government Finance Commission pools funds and exempts Brevard County for having to go through a referendum; the repayment of principal and interest, specifically in the proposal, says it is going to be done through non-ad valorem taxes, which is another exemption from referendum; and why would he want a referendum on these helicopters. He stated the helicopters are one of the worst deals he has ever seen in his life; the County is trading in three used cars for two Rolls Royces and saying it is going to save money; and he inquired if it is saving money, then why can it not be financed out of Mosquito Control instead of pushing the acquisition of these assets into the County's General Fund. He added, there is a lot of questions; inquired why in the world did the Board have a no bid contract on the helicopters; stated the function is to spray mosquito's; and inquired why is one French helicopter the only device capable and viable enough to spray mosquito's. He reiterated there are questions to be asked on the single source contract.

Commissioner Infantini asked Mr. Tipton, County Manager, when the helicopter's were presented he commented during the discussion that this was the best business case scenario that he had seen since he has been with the County for acquiring something; and inquired what financing options did he envision, was it ad valorem tax, or a bond referendum, when he stated that. She added, she thinks what Mr. Fusscas is asking how did the County intend to pay for the helicopter originally. Mr. Tipton stated the discussion took place in August of last year, and staff came back to the Board in December of last year and laid out the financing not only for the helicopters, but also for the 800 mega hertz radio system, the T-hangers at Valkaria Airport, and couple other areas; and it was about a fifteen million commercial paper item, all of those were together; and that is how staff planned to pay for it. Commissioner Infantini inquired is it his

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understanding that if one uses ad valorem tax dollars that it would have to come out of Mosquito Control, and is that why is staff now asking for the County to take over the lease instead of having Mosquito Control maintain that lease. Mr. Tipton asked if Commissioner Infantini is talking about the Agenda Item. Commissioner Infantini stated since he brought up his discussion, staff has put a new Agenda Item on where instead of Mosquito Control owning the helicopter's, now the County will; asked what was the logic of switching, and how he went from the best business case of having Mosquito Control buy the helicopter's and now he wants the County to; and inquired if he could explain why he changed the path. Mr. Fusscas asked what is the rational and the financing method.

Chairman Anderson stated if the Board wants to move Agenda Item IV.D up under Agenda Item IV.B., it will get to that item next. Commissioner Infantini stated she would like to have Mr. Tipton answer because he said it was the best business case, and yet now, it is switched from this financing to that financing. Chairman Anderson stated Mr. Tipton can explain it now or under New Business. Mr. Tipton stated whatever pleases the Board; and it is two different Agenda Items. Chairman Anderson asked if the Board would like to combine the two items. Commissioner Infantini made the motion to combine Item IV.B. and IV.D. Motion fails for lack of second.

Stockton Whitten, Deputy County Manager, addressed the earlier comment that the Board did not approve this financing method; on December 11, 2012 the Board of County Commissioners, by a vote of four to one, actually approved the use of commercial paper for the prior projects that Mr. Tipton mentioned, including the purchase of helicopters; in the Agenda Package was the approval of the Resolution; in that Resolution, it addressed the five-year note; and Mr. Tipton has given the Board an informational memorandum on the historical use of commercial paper. He reiterated the Board actually has already approved this method of financing by a vote of four to one on December 11, 2012, with a fiscal impact statement on the Agenda Item. He read out loud the fiscal impact of the December 11, 2012, Agenda Item; "The loan, which is not to exceed \$15 million dollars and will be amortized over a 12 to 15 year period for most of the projects. The various departments and offices will be responsible for their portion of principal and interest payments and have budgeted for or are able to accommodate these payments in their current revenue stream. Amortization of the not to exceed amount of \$15 million over a 12-year period at the interest rate of 2.5 percent would require an annual principal and interest payment of \$1.462 million. The current rate for commercial paper, which is a variable rate instrument, is 1.34 percent. He stated in the Resolution the terms of the loan in section six are spelled out and those are \$15 million for a five-year period that is outlined with loan rates, loan fees; he reiterated section six of the Resolution clearly points to the type of instrument this is; and the Board has had a 22-year history of participating in the commercial paper program, but the point here is this item was previously approved by the Board with all of the provisions highlighted.

Chairman Anderson stated this was previously approved by the Board, so the motion to reconsider would have to be made by one of the approving members. Commissioner Infantini stated the reconsideration that she had written down was to look at how staff structures the loans. Chairman Anderson inquired if it is in reference to the December 12, 2012, Agenda Item; with Commissioner Infantini responding no, not specifically, because she wants to make sure the Commissioners are comfortable with obtaining a great deal of debt and leaving it for the future Commissioners to figure out how they are going to pay for it, knowing how much this Board has resented being left with a great deal of debt and figuring out how to pay for it.

Commissioner Fisher asked for Mr. Whitten to please explain the commercial paper financing program and how it actually works; there is an indication the Board is doing something different; and he asked yesterday if less of the communities, cities, and counties that are doing commercial paper financing, and there are 53 of them. He added, the Board is not doing

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something out of the unusual; and for the purpose of the public, and the Board, and maybe even for Commissioner Infantini, please explain the purpose why the Board does the commercial paper financing. He stated he would like to talk about changing the policy in how to invest money and not be so conservative.

Mr. Whitten stated he can give the history internally of how staff uses commercial paper; tonight the Bond Counsel with the commercial paper program, Steve Miller, from Nabors Giblin & Nickerson, would be the best person to explain the structure of the commercial paper program, which again is a 22-year program with Brevard County being one of the founding counties of the program.

Steve Miller, Nabors Giblin & Nickerson, stated the company serves as Bond Counsel to the County, but also serves as counsel to Florida Local Government Finance Commission; and he will give a brief overview of its history, why it was put together, and how it does work, because he thinks there are some misunderstandings from some items he has heard. He explained, back in 1991 when three of their best clients at that time, Brevard County, Sarasota County, and Collier County came to them and said they are very happy with doing long-term financing in the bond market, 25 to 30 year bond issues; it works very efficiently; and they said, however, for shorter term borrowings, two, five, 10-year kind of borrows, they are getting killed by the banks. He went on to say the banks were charging excessive fees, interest rates are really high, and they were asked is there a way the company can help them develop a program where it can do this cheaper and easy to use; so it created the Florida Local Government Finance Commission; the original was done by Interlocal Agreement under Florida Law with initially Collier County, Brevard County, and Sarasota County as the first three members. He stated since that time, Charlotte County, Lee County, and Osceola County have joined, so there are six members that make up the Commission; and the way the program works is when a county, city, or school district, all of which is borrowed from the program over the last 20 plus years, have a borrowing need, they come to the Commission and, they ask them to issue short term commercial paper, which the Commission does through JPMorgan Chase & Company, at this point in time is the dealer. He added, it is extremely inexpensive paper; it is short-term, 270 days or less; they continually roll it, but they blend all of the interest rate from the commercial paper in all borrows; at that time, all counties, cities that are in the program pay the same interest rate; they pay a blended rate with a few add ons; and the letter of credit bank that supports the program, JPMorgan Chase & Company, will charge different fees depending upon the credit quality of the each borrow. He went on to say the reason folks use the program are several; one, it is incredibly inexpensive, the interest rate is very, very low; and he agrees with the gentleman's comment that it is at all time low interest rate, fixed rates are low, but if he or she looks at the history of the program, because the interest rates are so low because and the add on fees are so low, it built if for local government; this was not built for profit motive; and that the all land variable rate over time, the 22-years, has beaten the fixed rates all the time. He stated the cost of issuance are incredibly cheap, they only charge \$2,000 per million borrowed, and once one has paid into the program \$40,000 over the life of being in the program, he or she pays no more cost of issuance; every time one borrows, it is free; and Brevard County was at that point in time with the prior letter of credit provider, therefore every time Brevard County borrowed from the program, it was free. He added, another thing with the program that makes it nice is that it is very flexible; no prepayment penalties; one can not get that with banks these days; and with this program, once one has borrowed from it, if the Board decides next budget year it wants to prepay it from reserves, the Board can do that with no penalty, and with minimal notice to the program; and as Commissioner Fisher pointed out, over the years the company has issued over \$2.2 billion worth of commercial paper, and made loans to over 50 different governments throughout the State, including Brevard. He went out to say the reason it has to have a balloon in this particular transaction is that the commercial paper is not sold to investors based on the credit quality of Brevard County, it is based on the letter of credit provided by JPMorgan Chase & Company; they are a AA rated bank; and therefore, the investors are buying their letter of

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credit because they are coming in and saying if Brevard County does not pay it will step up and pay it. He stated in today's market no bank is willing to make a letter of credit go out farther than five years; and because their letter of credit only goes out for five years, the maturity of the loans can only be five years; but every year JPMorgan Chase & Company let them know that they are rolling it out an additional year; it is kind of a rolling five-year program; and by the time Brevard County gets to the end of the five years, unless JPMorgan Chase & Company decided to get out of the business, there would be another five years Brevard County would be able to roll the loan to an additional five years to get to that 10-year amortization that staff wanted to meet. He talked about binding future Boards; if the Board was to enter into a 10-year fixed loan, which he understands is the amortization period that staff wants to utilize, the Board would be binding future Boards to continue paying the debt from years five through 10; he is not pushing it one way or the other, he is the Board's Bond Counsel; and if the Board was doing a bank loan, he would be working with it on that as well. He stated every single borrower in the program has a balloon payment; and there are times that people will just have a three-year maturity or four-year maturity and pay it off before the five-year period is up, but many people balloon their final payments and roll it when the time comes.

Commissioner Fisher stated he has a question for Mr. Burdett; he inquired other than the fact he thinks, because I saw your letter to Mr. Tipton, that the Board could borrow the money internally, what is wrong with this commercial paper loan program; stated it seems like a effective way, 53 different counties and cities are using it; and questioned if there is anything wrong with the program. Mr. Burdett stated when the Board first got into the commercial paper program, he recollected it was actually falling interest rates, which would make sense to him not to go out and get a 20-year bond to pay a high fixed interest rate when one could borrow commercial paper; and at some point in the future when the rates get to their lower levels, then one would refinance and get a fixed rate. He added, that is where he is coming from on the commercial paper; the interest rates are real low right now; he is guessing the interest rates are going to go up before they go down; if he is correct, the short-term interest rates have always been lower than the long-term interest rates in most cases; the question for the Board is does it want a fixed rate right now that is at its lowest level or does it want to gamble it in the future that the short-term rates may not reach low; and stated it is just like financing ones home. Commissioner Fisher stated he will make that comparison; his personal home is financed on a LIBOR rate, and the LIBOR rate has been very successful and been a lot cheaper than him going and getting a fixed-rate today; and fixed rates are at an all time low. He added, he thinks this program is very similar to that; and asked if he would be correct with that statement. Mr. Miller responded yes, it is very similar, two-year example, absolutely; Mr. Burdett is right, who can predict the future; if he or she had a crystal ball, all the financial guys would be doing very well; and again, it is with five years, it gives the Board some flexibility. He stated the next budget cycle, two budget cycles from now, if the Board decides it wants to do something else, if rates start to climb, as he said earlier the Board can pre-pay this on a less than 30 days notice with no penalty; and if rates start to climb and the Board is more uncomfortable, it could take it out with a fixed rate at that point. Commissioner Fisher stated what he was more concerned about was the value of the helicopter worth what the note is going to be at the five years if one treats it like a car loan; he was understanding you do not treat it like a car loan; and the ability to refinance is there. Mr. Miller stated JPMorgan is not looking at the value of the asset at all it is not security for the deal; they are looking at Brevard County's credit quality; it is not an Ad Valorem the Board is agreeing to budget and appropriate Non-Ad Valorem revenue so there is no bond referendum requirement. Commissioner Fisher commented the value is still there.

Chairman Anderson asked if things go crazy and the rate does decide to go up, at that time the Board could choose to prepay, make internal loan, prepay, and be done with it. Mr. Whitten responded historically, the last time the Board had commercial paper outstanding was in 2010, and at that time, staff decided to recommend to the Board, and the Board accepted, a refinancing of the commercial paper into a fixed rate instrument. He added, that is probably the

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second or the third time that the Board has done that since he has been with the County; therefore, the history internally of how staff has done this is it is they always looks for that date in which it becomes uncomfortable with the variable rate instrument and can lock in on a good, low fixed rate instrument, and so it has done this for a five-year balloon; and the Board has done it for 10 years or 15 years, and so there is a 22-year history of the it doing this and making very prudent use of the commercial paper program. Chairman Anderson stated the Commissioners that replace Commissioners Nelson and Bolin Lewis would be stuck with this. Mr. Whitten stated he is not sure he understands the whole future Board's being stuck with debt, because it has debt that extends beyond the terms of all the Commissioners on the Board today.

Commissioner Nelson commented on the life of the helicopters; the County has a helicopter that is 44 years old, so he does not think it is an issue of the life of the helicopter; and inquired with the fact that the Board is doing it incrementally over time, why would it have all of the citizens pay for this now, versus sharing this with future citizens who are going to enjoy the benefit of that utilization.

Commission Infantini inquired if the Board can keep a helicopter for 44 years, why is it getting rid of a 12-year old helicopter and a 22-year old helicopter; and stated it sounds like it has a good 30 years, or 32 years left on one and 22 years left on another. She continued to say the Risk Management Department, from what she has been seeing, appears to be earning about one and one-half percent on their money, on their reserves; and inquired if the Board is going to be paying one and a half percent, which is not a huge number, why not pay Risk Management one percent, split the difference, and they will earn more money that they would be earning. She added, the Board would be paying less money than it has to, rather than going to outside commercial paper, and again, it would not be stuck with a pre-payment penalty.

Commissioner Fisher asked if there was a pre-payment penalty; with Mr. Whitten responding not on commercial paper. Commissioner Fisher stated when Steve Alexander with the PFM Group comes and talks about our investments, he about has a heart attack when he realizes that the Board is sitting with so much at a .5 percent return; he would like to have more conversation at some point in time with the Board about being willing to take a little more risk on the investment side; and it would probably do better than the 1.5 percent that it is paying on commercial paper if the Board would be a little more willing to take a little more risk than this .5 percent. Commissioner Infantini inquired since the Board is currently not willing to take more risks, and the funds are sitting there, and it can get into the commercial paper at any time that it wants to, why would we not just jump in and borrow the money from Risk Management for the short-term until such time; and stated she is having a hard time understanding why the Board would want to pay more for than less.

Mr. Tipton stated staff did look at the internal loans as an option, both the Risk Management, both the health insurance, Utilities, and Solid Waste as they were developing this originally; the projections were that the reserves are going to hit; and staff is using them both on the Risk Management side, certainly on the health insurance side again this year. He added, Solid Waste has three of the five largest CIP projects going on, so that comes out of their operating reserves; Utilities is basically a pay as one goes right now; there just was not that option, and again, commercial paper is coming into play until a point in time where they are comfortable with another long-term option.

Commissioner Infantini commented when she found out the Board had reserves available that it could use at a lower interest and could be generating more revenue for that department costing the Mosquito Control less expense to pay out, it seems like a good situation; and if the Board is going to go ahead with purchasing the helicopters, then at least to do it in the least cost method possible.

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Pat Pasley stated on May 23rd, the following headlines were in *Florida TODAY*, "Brevard Helicopter Merger in the Air, Sheriff Mosquito Control May Team Up to Save"; the article went on to say how this merger can save millions of dollars to the taxpayers; *Florida TODAY* said, "If the County Commission approves the plan, the Sheriff's Office helicopters would assume Mosquito Control duties in time for the 2014 mosquito season". She asked was there ever a follow-up meeting with the County Commissioners, Sheriff Office, and Mosquito Control. She continued to say *Florida TODAY* said, "The new merger plan would move Mosquito Control helicopter pilots and maintenance staff from the Space Coast Regional Airport in Titusville to a more centralized location at Merritt Island Airport; other Mosquito Control staff would remain in Titusville; the County would see its existing Mosquito Control helicopters for at least \$2.2 million; it would use \$1.2 million of those proceeds to outfit three Sheriff's office helicopters with aerial spray equipment and certify them for use in Mosquito Control; and Fire fighting apparatus also can be added to these helicopters so they can be used to fight wild fires." She asked have any of the existing helicopters been sold or even listed for sale; is there any intention of the Sheriff's Office to partner with Mosquito Control in any way, and if so how; and was Eurocopter ever contacted about releasing the County out of the contract, and if so, what was the reply, what was it going to cost. She stated she remembered Sheriff Ivey being on a radio station and he said with Mosquito Control, they took pen and pencil to paper and they came up with a great plan, they came up with a fiscal analysis; and stated she has never see the bottom line fiscal analysis, and asked if the Board has seen one. She reiterated the question what happened, if *Florida TODAY* was misleading the public or did it just get dropped.

Mr. Tipton stated there are two different items that were occurring during this time; one, was the exploration of a joint operation with the Sheriff's Office; the other was their acquisition of a heavy lift helicopter; and after a 10-year period of waiting, it came about, and that 10-year wait and the heavy lift helicopter is really the one that spurred the discussion. He added, as staff looked at the helicopter, and all of this took place very quickly, it was a series of couple of weeks, several meeting with the Sheriff's Office, looked at the helicopter, looked at the options and it was a short-term solution; and it is an older helicopter, like 1970's vintage, he can not remember the exact year, but it would have been a short-term solution. He continued to say when staff went to Eurocopter and asked them if the County could be released from the sale, from the contract, the answer was no; and when staff looked at the penalties and looked at the impacts for a short-term solution, it no longer made sense so staff continued forward. He stated the path staff is on will save the County over 12 years, \$2.5 million from the current path in terms of operating and maintenance; it is still an outstanding deal.

Ms. Pasley asked if it was ever looked at contracting this out. Mr. Tipton responded staff talked about it last year at some length; and yes, there is a contracted service that staff uses that is more expensive than the internal rate; and staff has covered all of that. Ms. Pasley asked why was it not brought back to the Board for discussion; and commented it seems like it only stayed in Mr. Tipton's office. Mr. Tipton stated there was nothing to bring back to the Board; there was no change in direction; there has been no change in the financing; there has been no change in the purchase; and there has been no change in anything. Ms. Pasley questioned if *Florida TODAY* was misleading in what or wrote so that the public would believe this was a dead issue. Chairman Anderson stated he does not think anybody knew the penalties that were associated; and I do not think Sheriff Ivey knew that at the time either. Mr. Tipton agreed that there was a lot of conversations about their mission and the County's mission and how everyone could work together; and the Board has a lot of different partnerships going on with Sheriff Ivey. Mr Tipton responded to the question of any of the aircraft being sold, and stated, last week the Astar was sold for \$1.5 million; staff had budgeted \$1.375 as a sales price; and staff actually exceeded their estimate by \$125,000.

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Commissioner Infantini stated she saw on the Contract that the County made a deposit of \$100,000 each; and inquired what the penalties were. Mr. Tipton responded he did not recall off the top of his head. Commissioner Infantini asked to get the information.

Michael Hartman stated he is before the Board to talk about the balloon payment; he understands the concept of commercial paper; he is a real estate developer; and he builds rental housing, so he borrows millions of dollars on every project. He continued to say he borrows on short-term money to build the home and then borrows long-term money to finance it; one thing when he borrow' s money is that he always has some method of repayment; and the thing that he is worried about here is that the County does not have a dedicated source to repay this. He added, while it is true that possibly the County can four years from now refinance that \$3 million and spread it out another six, seven years, it is also possible that it may not happen; most of the Commissioners were around during the late 70's early 80's when he or she could not borrow money at almost any rate; and crime got up to 15, 16, 17 percent; and people were getting mortgages on their houses at 16 percent, and as far as building anything, forget it; and people went bankrupt. He reiterated he is worried; the County will have a \$3 million lump sum payment coming due in four years; and the citizens right now have not identified a source to repay it. He commented if the Board has a dedicated source, lets say the County has a tax that is going to be there every year for 10 years, then it can make sense especially at these low interest rates to borrow basically the present value of that stream of income now; to use that money to buy a capital asset; but in this case the County is borrowing to buy a capital asset it does not have an identified stream to pay that back. He asked maybe the Board could delay this item until it identifies a stream.

The Board acknowledged Commissioner Infantini's request to decline the terms of the loan agreement presented by Nabors, Giblin, & Nickerson, P.A., Attorneys at Law, for the mosquito control helicopters and discuss an alternate plan for payment of the Board approved helicopter purchase, but took no formal action.

#### **ITEM IV..C., AUTHORIZATION, RE: PERFORMANCE-BASED AUDIT OF THE ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST (EDC)**

Commissioner Infantini stated the Board discussed at a prior meeting that it would be bringing this Item back to the Board at the next meeting, regarding having a performance-based audit of the Economic Development Commission of Florida's Space Coast (EDC) in light of all that has been transpiring; she had read in the Industry Report maybe from 2008 that they had recommended getting a return on the County's investment analysis for the EDC; and she has attached a copy of the Lee County Economic Development Council's audit. She noted, it was a really good audit. She added, it came out with a bunch of information, and she would suggest the Board use that type of format as a template for the audit that it performed on the EDC. She continued to say she thinks it just to boil down who should perform it, because right now the external/internal auditors, are actually members of the EDC; therefore that probably is not a good choice; and there may be a little conflict of interest there, but there are other firms locally or out of County that could used to put this out to bid. She stated it is her motion that the Board put this out to bid in the framework like what was done with the Lee County audit.

Commissioner Bolin Lewis questioned whether or not this is necessary; stated the EDC did have an audit every January, and this year they did a second one, so they have gone through two audits this year alone; and there are no findings, and they were both clean. She added, it is her understanding that an audit will cost around \$30,000; and she just wants to make sure the Commissioners understand it will be using taxpayers' money for something, if it feels it is necessary; and if the Board does move forward with an audit, to definitely have a firm that is from out of the area.

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Chairman Anderson stated there is still a motion on the floor to prepare a bid to bring back to the Board a bid to be sent out with associated costs. He asked Commissioner Infantini if he was correct in that. Commissioner Infantini responded yes.

Motion dies for lack of a second.

Commissioner Infantini inquired if not one member, even Commissioner Anderson, would like the transparency of the EDC; stated the two audits that were done are different; and the Board is the only ones that are licensed in the whole Country to be able to do an audit of an organization. She added a financial audit just says that the number 10 that she is showing the Board is the number 10 that is in the books; it does not show whether or not it is complying with the goals and objectives of what he or she would like to see; an what she is suggesting is a return on investment audit so that it knows what it is getting for its funds.

Chairman Anderson stated what he would like to know is about how much that audit would cost before approving it; and that is all he wants from staff at the next meeting. He added, to tell him how much it is going to cost the taxpayers, and if it is repetition of what it is already doing. Commissioner Infantini stated it can not be repetitious because it has never had an actual EDC performance-based audit. Chairman Anderson stated if it is necessary. Commissioner Infantini reiterated the Board has never ever had a performance-based audit. Chairman Anderson stated he is looking for return on investment for the audit. Commissioner Infantini agreed that just like the County, all of its departments have audits based on their risk; and when using \$1.4 million of the taxpayers' dollars, and that organization does not turn over their records to the Clerk of Courts, she is thinking a little transparency would be a good idea. Chairman Anderson stated to the EDC's credit, they don't mind an audit. Commissioner Infantini stated an audit based on their Contract of what they are required to do, but their Contract does not give a return on investment; that just says they are going to go out and try to get jobs; and they went out and tried to get jobs. She continued to say back in 2009 they anticipated getting 2,250 jobs in the next three years, and she has not seen those manufacturers yet. Chairman Anderson asked staff to bring back the cost of an audit. Commissioner Infantini agreed that is a good idea.

Commissioner Fisher commented that if one takes the Embraer deal, which they were not exactly coming here, and they have \$50 million invested; they are getting ready to do a partnership with Florida Insitute Technology (FIT); and he thinks EDC probably paid for itself over the last couple of years with some of the things they have done. He stated also Harris Corporation, and Northrup Grumman; he does not think anybody on this Board is going to question whether the County got the value out of EDC; he thinks what has happened is the EDC has got caught up in something, and would really like to have some serious conversation with this Board about it; and that BlueWare situation was an unfortunate situation. He added, he remembers seeing an article that Michigan actually offered BlueWare money to stay and they were selected 'Business of the Year' by a couple of organizations; this Board did not know that the Clerk's Office was even contracting with BlueWare, had anything to do with them, or they were out even looking for those services; and he did not know, and the reason he did not know was because the Clerk's Office or the Supervisor of Elections Office or the Sheriff's Office does not have to go through the same process the Board goes through. He continued to say they do not have a bidding process; they can go bid on something without even telling the Board; he thinks that deal would have been caught if it would have gone through the County process, and the went for a Request for Proposal for lowest bid, and used the County services to do it, then some of those issues would have been brought forward to this Board; and he reiterated the Board never knew the Clerk went out looking for those services. He added, he does not think anybody in staff from a County standpoint knew that, and once the services were awarded, the Board did not know it was awarded until the last second; and if the Board wants to do something, to talk about the Constitutional Officers being able to go bid things without going through the process that the County Commission goes through.

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Commissioner Infantini inquired if the Contract was already signed and it was a done deal, then why did the EDC bring it to the Board and ask it for tax abatements on a deal that was already a done deal; and why did it get involved if they already had a Contract and already accepted that they were going to do the work. She noted, the Board gave away money that it did not have to.

Commissioner Bolin Lewis commented the Board did not give any money away.

Commissioner Infantini stated the Board offered tax abatements to an organization it did not have to, to get them here because they were already coming and they already agreed to come, so she does not understand what the vetting process is, what is the selection process for the EDC; and she thinks numerous companies have been presented to the Board that have never manifested, so in some ways one would say it does not cost us money, but in other ways she says the Board is giving away our good name of Brevard County and its credibility for just going out saying anybody come up to it, and promise it 190 jobs, \$65,000 a year. She inquired who makes \$65,000 a year scanning documents.

Commissioner Fisher asked staff if that was a County contract, what would have been the process to go through.

Commissioner Infantini asked why did the EDC bring it to the Board. Commissioner Fisher stated not EDC, he is talking about the Clerk's Office, because the problem is the Clerk did that without any of the Board's authority. Commissioner Infantini agreed. Commissioner Fisher stated he just does not understand how that would happen if that was a County deal; and reiterated he is not talking about EDC, he is talking about the Clerk's Office.

Stockton Whitten, Deputy County Manager, stated he thinks the Board is talking about two separate processes; it is a process that the Board does not see; and it is a process that the Board does not have any standing in. He continued to say the processes may be similar, he cannot speak for the former Clerk or the current Clerk or the Charter Officers, but the County's process is it either bidding an RFP or requests for quotes, and so that is a process it is in control of; and the other processes the Board is not in control of, and therefore it is not going to be on the front end of how they are handled. He added, the Board knows about them generally as the public knows about them, or as the information is provided to it by the independently elected officers. Commissioner Fisher asked if the County was going out for that service, would it have been presented at public meeting; if the County would have asked for permission to go out for bid; and would it have gone through the County's contracting services. Mr. Whitten responded the process is that there is a request to the Board for a service, and whether the vehicle is a bid, which is generally lowest price, or Request for Proposal, which is quality of the services, the Board approves that there is the establishment of criteria, and selection criteria; and then there is a presentation, generally a presentation of the product by the vendors. He added, there is a vetting of that product or that process, and then coming back to the Board for final approval or ratification, or whatever the appropriate term is this week of its approval of that process and the selection of that vendor.

Commissioner Fisher stated the problem is, in the Clerk's, Supervisor of Elections, and all those offices, they do not have to do any of that in front of the Board or the public; and that is the problem; that is the real problem with BlueWare; unfortunately EDC is getting caught up in it; he is quite sure that the Constitutional Officers may say, they do not want to do that, but he wants the public to understand that this Board had no opportunity; and if it went through the County process, it would have probably picked up on some issues.

Commissioner Infantini stated the Board did have the opportunity to pick up when the EDC brought BlueWare before the Board; and it had the opportunity when the EDC brought XUN Energy before the Board with three years of consistent losses. She added, the five members of

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this Board should be vetting those companies, not some group that is not elected by the constituents out there with the money, and not be relying on somebody else to do so.

Chairman Anderson stated some of the vetting cannot be done without a non-disclosure; right now he has a non-disclosure with gun manufacturer; and they do not want that out there because they do not want the people in their hometown knowing that they may relocate to Brevard County, it would blow the whole deal. Commissioner Fisher inquired if the companies vet it when they bring it in front of the Board for approval. Chairman Anderson responded yes they vet it when it comes before the Board.

Commissioner Infantini stated the Board asked for insufficient information; and she gave XUN Energy a run of their money.

Commissioner Fisher asked Commissioner Infantini if she voted on BlueWare. Commissioner Infantini responded she did, and she voted yes, and is very embarrassed by it; she will be the first one to admit it; she made an incredible error, and she will be doing due diligence like she did on XUN Energy; and that is why she came forward and pointed out to this Board the three consecutive years of losses.

Chairman Anderson stated regardless of whom it is, if they do not meet their thresholds, they do not get a dime in abatements.

Commissioner Infantini stated it is Brevard County's name that is getting them legitimacy that they can go out and share to their shareholders; and she is just trying to convey that to the Board.

Chairman Anderson stated he has learned that since being Commissioner and working hard on economic development, there are no regulations, and there is states and cities within the County that will steal from each other to get any company.

Commissioner Nelson stated in the 2011-2012 EDC report, this is the list of the companies; Embraer, they are a technology facility; that is after they brought their manufacturing facility here; Bertram Yachts, Boeing, Harris, X-Core, Rocket Crafters, and BlueWare; and frankly, that will get you a County in the Hall of Fame to have had that kind of success with those kinds of companies. He added, it is like blaming the bank for the bank robbery; he or she knows the problem is that someone violated the law in a position of power; that is wrong; and it is not about everybody who happens to talk to them.

Commissioner Infantini stated she is not blaming the EDC for BlueWare at all.

Commissioner Nelson stated the issue for him is that the County has protections, fail safe's in the Contract that say if he or she does not perform, they do not benefit from it, and they did not benefit from it; and that is what it is supposed to do. He continued to say the system worked exactly the way it is supposed to; Commissioner Infantini is asking, and the Clerk is asking, for the EDC to violate the law for the disclosure issue; and to their credit, they are going to a judge to get a ruling on whether or not they should or should not release it. He added, he thinks that says credibility because of the fact the EDC is honoring something that they take very seriously; and he really does not have an issue with this. He stated to let the State Attorney, let the court system do what they need to do with BlueWare; he hopes that it comes out in terms of catching the crooks, because what happened; it was a violation of the law, pure and simple, it is not about accusing the EDC of somehow being a part of that, that what it has evolved into.

Commissioner Infantini stated the only reason why she wanted to audit the EDC is because she wanted to see what the Board is getting for the \$1.4 million; it started out at about \$500,000 in

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1999 or something and it has progressively made it up to \$1.4 million; she wanted to see for the taxpayers what it is getting for the money; and it has nothing to do with BlueWare. She added, when she verified back in 2009, 2010, all of the jobs created by the EDC, if one recalls, 300 people showed up and said they are doing a great job; all she is saying was they claimed to have created 800 jobs and they only created like 120; and she was disputing the factual data they were giving the Board as not being correct. She reiterated, she just wants a return on the investment, and she will just go out and find out from some organizations what they would charge the County to do that; and she thinks the taxpayers deserve it.

Commissioner Fisher stated he thinks that the majority of this Commission supports EDC and economic development in the communities, and he definitely supports it in District 1; he is supportive of the EDC; and if Commissioner Infantini is not, that is fine.

The Board acknowledged Commissioner Infantini's request to authorize the External/Internal Auditors of Brevard County to conduct a performance based audit of the EDC, but took no action.

**ITEM IV.D., ASSIGNMENT OF AGREEMENT WITH BREVARD MOSQUITO CONTROL DISTRICT AND AMERICAN EUROCOPTER CORPORATION, AND USE AGREEMENT WITH BREVARD MOSQUITO CONTROL DISTRICT, RE: PURCHASE OF TWO NEW ASTAR B-3 HELICOPTERS**

The Board authorized the Mosquito Control District Director to assign the Agreement to purchase the two (2) new Astar B-3 helicopters from the Mosquito Control District to Brevard County; directed that the Governing Board of the Mosquito Control District and the Brevard County Board of County Commissioners authorize the County Manager and the District Director to enter into a Use Agreement between the Governing Board of the Mosquito Control District and the Brevard County Board for the use of said helicopters in exchange for the District making a capital contribution of the proceeds from the sale of the current Astar B3 registered as N695BC toward the purchase price of the two new helicopters; and authorized staff to initiate any budget transfers necessary to implement the agreements.

<b>RESULT:</b>	<b>ADOPTED [4 TO 1]</b>
<b>MOVER:</b>	Chuck Nelson, Commissioner District 2
<b>SECONDER:</b>	Mary Bolin Lewis, Vice Chairman/Commissioner District 4
<b>AYES:</b>	Robin Fisher, Chuck Nelson, Mary Bolin Lewis, Andy Anderson
<b>NAYS:</b>	Trudie Infantini

**ITEM V. OTHER BUSINESS**

Commissioner Bolin Lewis stated the Board has been unable to get the County employees a raise; the constitutional officers have been able to do so; and she is pushing to see if there is any possibility before the budget goes to print to give the County employees a raise. She asked the Board could assist in helping the employees, and she is going to call it a 'Family Day'; it has through time given an extra day off during the year, but usually it made a set day around the holidays; the Family Day would be another day off with the employee choosing when they would want to take off; and that would avoid the County having the entire government shut down at the same time, which she figured was running around \$90,000.00. She asked the Commissioners to think about that at the next budget meeting, to further discuss it; and at this point in time, she does see where it is going to a financial burden on the budget.

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Upon Board consensus, the meeting was adjourned at 7:43 p.m.

ATTEST:

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ANDY ANDERSON, CHAIRMAN  
BOARD OF COUNTY COMMISSIONERS  
BREVARD COUNTY, FLORIDA

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SCOTT ELLIS, CLERK