

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

1:00 PM

The Board of County Commissioners of Brevard County, Florida, met in regular session on May 23, 2017 at 1:00 PM in the Government Center Commission Room, Building C, 2725 Judge Fran Jamieson Way, Viera, Florida.

Attendee Name	Title	Status	Arrived
Rita Pritchett	Vice Chairwoman/Commissioner District 1	Present	
Jim Barfield	Commissioner District 2	Present	
John Tobia	Commissioner District 3	Present	
Curt Smith	Chairman/Commissioner District 4	Present	
Kristine Isnardi	Commissioner District 5	Present	

**ITEM I.A., BOARD DIRECTION, RE: REDUCTION LIST #5**

Frank Abbate, Interim County Manager, stated we will begin with discussion on the reduction list; he asked if it was the Board's pleasure to go down each one of those; and the first is the UF/AG and Extension Services.

Commissioner Tobia stated he provided an updated list; it is a reduction of the reduction list; there are a few less reductions; he added back in a few memberships; and there have been a few changes to the County Attorney's Office. He continued starting with the UF/AG Extension there are some nonessential memberships that he has a reduction in; these are things like Epsilon, Sigma Phi, National Association of Community Development Professionals, and Florida State Horticultural Society; he is not saying they are not important, he is saying they are not essential to the job; operating supplies, the way they are allocated is unique, a certain number is given to each faculty member and the reduction here is only 10 percent, but it is about the inefficiency of allocation; he is not sure that is the best way to go about allocating resources is per employee, especially in an organization where everyone is under one roof; rental and leases is one he saw was very interesting; there is an \$1,140 folding machine lease so he pulled that out; and he found out they did approximately 1,000 mailings, but it seems a little expensive if they are spending a dollar folding. He mentioned if anyone needs his labor he will fold for a dollar a paper. He went on to say next is travel and it is out of County travel, there is some travel to Omaha, Nebraska, Salt Lake City, Utah, and Indianapolis, Indiana, that are not necessary for any type of qualification or necessity for continuing education, so that is a reduction of \$11,045; promotional activity is again a certain amount allocated to each faculty member and inefficient; there is increased signage listed as continuing expense and he is still waiting to hear back on why there is continuing expense on signage; certainly advertising promotional materials can be decreased; the \$20,000 here is non-recurring, it was a trailer purchased as well as some computer equipment that is non-recurring; and that is the \$40,468 from the UF/AG Extension. He stated the Brevard County Board of County Commissioners has a cut of \$1,800 for cell phones that they reimburse; then travel and per diem, which it is his understanding that this is the amount allocated for out of County travel and no one has spent these resources; and it would be his proposition that the County not reimburse for out of County travel, which is an \$8,000 reduction.

Commissioner Barfield commented he has to go to the East Central Florida Regional Planning Counsel, in Orlando; there are others that he has to go to because of the boards he is on as a County Commissioner; and he thinks those should be an exception, because he does not go over night.

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Commissioner Tobia stated he thinks that is very fair; and he pointed out he said out of County, but should have said out of State.

Commissioner Pritchett pointed out the Board just did a Policy for Out of State travel

Commissioner Tobia responded affirmatively. He continued on to say that was just an amount allotted for out of County travel; if the Board were to split the baby he would be fine with that; the County Attorney's Office is where there was a slight change; there are some books, publications, and memberships that are not necessary to the job which is \$915; FACA membership, the Fun membership, attorney's title insurance fund, there is an FRMA membership, and then there is \$8,500 in travel for the County Attorney's Office which are listed for continuing legal education, but that is all available on the Internet; and he commented while a person can travel to these places, there is certainly not a need to travel, so that is a reduction of \$8,500. He added Space Coast Government TV (SCGTV), the Social Media Specialist while tweeting and twittering, Facebooking, and all those things provide value, he does not know if they provide the value necessary to the expense; the County does have a website available and people have access as far as sending stuff out; therefore, he does not know if that is a necessity partially grant funded; the Board has talked about leverage, but the reality of leverage is the taxpayers pay not only the taxes that go to the County but they pay taxes that go to the Federal Government; the fact that it is leveraged means the taxpayers are paying both ends of it; and that is a reduction of the partial County of \$21,612 and the benefits associated with that of \$10,933 for a total of \$32,545. He noted it is a relatively new position; the County functioned well prior and he is sure it will function well post if the Board were to decrease this position; and those accumulatively have a \$94,893 reduction.

Chairman Smith inquired if there is anybody on the Board who supports these cuts; and he stated he would like to restrict the discussion for those; and if nobody objects to these, then there is no point in beating them to death.

Commissioner Pritchett stated she is pretty consistent with her views; she thinks the County has adequate funding; she knows these are last years and there are some non-recurring; she has a different ideology and her thought is to give the Department heads an amount of money and they need to come up with budget that is frugal; and she expects that from them, because if not, then it is the County Manager's job to start looking for new Department heads. She added for clarity in the past six years, and seeing the tightening of the budget, she is comfortable waiting to see what comes in with the new budget.

Commissioner Isnardi stated she does not know if the Board should go line by line on these or ask the Departments to touch on these again; she gets a little nervous because the UF/AG Extension Services are very limited on their funding as it is; while she may not agree on all of these, she does not know as far as promotional activities, if it is getting information to a lot of folks that are members of that organization that pay a membership fee to be a part of it; rental and leases of a folding machine is silly, she does not know if the Board should talk to Linda Seals, UF/AG Extension Services Director, to find out more about it; as far as the cell phones go, if those are cut for her employees she will probably increase their salary by \$75 month and ask the Commission to approve it because she calls her staff sometimes at 9:00 or 10:00 at night, she calls them on the weekends, that is part of the job and part of the requirement, and luckily they are understanding; and a lot of times they communicate outside the office so she would hate to take that away from her employees because she relies heavily on those for communication. She noted it is obviously the Board's desire; travel and per diem is fine; and she does not claim travel, gas mileage, or any of that stuff, so she is okay with cutting that stuff.

Commissioner Tobia stated he is holding off on cell phones, he just wanted to make it uniform; and the County Manager is coming up with a Policy for the Board to investigate.

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Chairman Smith inquired what Commissioner Isnardi wants to support Commissioner Tobia on in cutting. He is trying to streamline this because the Board has an awful lot to cover today.

Commissioner Isnardi stated she knows and she does not want to drag it out any longer than necessary, however, she feels like since there has been a gap in time, she wants to hear from Ms. Seals and find out what is valuable to her; and she thinks Ms. Seals will give a straight answer on what she deems valuable.

Chairman Smith announced Commissioner Isnardi wants to hear from Linda Seals.

Commissioner Isnardi stated she knows the funding is limited and if the Board is going to cut, she wants to make sure it is not going to hurt a program that these people are paying a membership to be part of.

Chairman Smith asked if there were any others she supports in cutting.

Commissioner Isnardi stated she does not remember if there was discussion on the Social Media Specialist.

Mr. Abbate stated he has some input on that one when they get to it.

Chairman Smith stated he does not want to go one by one because if nobody has any interest in talking about XYZ then there is no reason to talk about XYZ; he just wants to talk about the ones anybody is interested in talking about; if Mr. Abbate is interested in talking about the Social Media Specialist then the Board will talk about that; and if Commissioner Isnardi is interested in talking about UF then the Board can talk about those.

Commissioner Barfield stated the only thing he has a question about in the AG section is what the allocation does for different funding sources, for memberships, and promotional activities; cell phones are being worked on; and travel and per diem is what it is, but if it is not used then it is not used. He noted he thinks it is fine the way it is. Travel and per diem for the County Attorney is the same; and his experience on the Social Media Specialist is this.

Commissioner Tobia opined the travel was not the same thing for the Board, which was the \$8,500 for continuing education that can be had online; he is not cutting any of their mileage travels; this is \$1,000 allotted to each attorney for travel for continuing legal education that they can get online; and he reiterated that is not a mileage one.

Commissioner Barfield stated he would have to defer to the County Attorney for travel.

Scott Knox, County Attorney, stated that is also used for travel if they have to go to Tallahassee for any reason, or if they have to go to Tampa for any reason.

Commissioner Barfield stated in his experience with the Social Media Specialist is, having been trapped in the Emergency Operations Center (EOC) during Hurricane Matthew, it was a major benefit to get information out; looking all year long, people are on Twitter, Instagram, or Facebook and it is a communication method and it is important to get things out rapidly; he is fine with these because of what Commissioner Pritchett said; however, he reiterated he would like to hear about the allocation.

Mr. Abbate stated he can address the Social Media Specialist very quickly; they have had a very significant increase in social media participation; on Facebook it has gone up for Emergency Management 119 percent from October to current; General Government has gone up 23 percent; and in Fire Rescue it has gone up 20 percent. He noted they are very sensitive

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to what they hear from the Board and so he had the opportunity to speak with Chief Schollmeyer; he knows the General Fund allocation, while it is 50 percent, it is still obviously to some Commissioners a little bit much so what he has done is worked it out with Fire Rescue to assume from non-general fund resources half of that amount because they are going to be using social media more and more; the County got rid of their PIO position about a year ago because it is being performed through the office; and if the Board would be good with that, it can build a budget and cut that amount in half and reallocate that to a non-general fund portion of the Fire Rescue Budget. He expressed his appreciation to Chief Schollmeyer for having that dialogue with him and agreeing to move in that manner if it meets the Board's desires.

Commissioner Tobia inquired if that was half of the \$32,545.

Mr. Abbate responded affirmatively.

Chairman Smith asked Commissioner Tobia if he wanted to make that motion.

The Board directed Mr. Abbate to reallocate one-half of the \$32,545 funds for Social Media Specialist to the non-general fund of the Fire Rescue Budget.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	John Tobia, Commissioner District 3
<b>SECONDER:</b>	Jim Barfield, Commissioner District 2
<b>AYES:</b>	Pritchett, Barfield, Tobia, Smith, Isnardi

Chairman Smith inquired if Commissioner Isnardi had questions for UF.

Commissioner Isnardi stated she would just like for Linda Seals to explain a little bit.

Ms. Seals stated as far memberships go, as a requirement for faculty, they are required to be scholarly and have academic requirements which sets them apart from other folks; they are evaluated on their activities within their professional associations; she is willing to allow just one faculty member one membership because right now she has some faculty that are involved in a couple of different organizations; and she reiterated they are evaluated on that activity within those professional associations. She mentioned it is very important for their careers that they are active; she thinks eliminating all of it just puts the onus back on the faculty member because the faculty member is required to be a member of at least one of those professional associations; the same thing applies with the out of State travel; they are required by the University, by their jobs, to share their scholarship nationally, which is a condition for employment and a condition for tenure, permanent status, and without that there will be no permanent status for tenure; once a faculty member has achieved tenure then they must continue to share their scholarship and applying for awards; the Board should be very proud of the faculty here in Brevard County because they do not go to conferences unless they are presenting or receiving an award, otherwise if they go to a conference it is on the person; and the General Fund only supports a small percentage of that travel. She added faculty have learned since the down turn in 2010 that if they want to go to Salt Lake City to the National Association of County Agriculture Agents, then the \$750 internally she has allocated for each member, is theirs, but it is on them to find the rest of the funds, because they cannot go to a conference in Salt Lake City or anywhere else with \$750 dollars, there is airfare, hotels, and registrations; a percentage of that is what that goes towards; and hopefully that answers the questions on memberships and travel. She continued in the next fiscal budget she did drop one conference off of their travel because no one was using it, so it was unnecessary; as far as the folding machine goes, there was an error in communication, it is not just 1,000 copies or

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foldings per year that they use that machine for; it does not have a counter on it, but she can assure the Board that they do 200 to 250 foldings a week for brochures that they use in their programs for promotional activities, or if they go to an event and take brochures about educational information, it may be on something like how to water St. Augustine grass with the intent to reduce water usage, and the ultimate goal would be water quality and water conservation; therefore, the folding machine gets a lot more use than just that. She commented as far as promotional activity, they do need to add directional signs to the office because people get really confused as to where the front door is; the promotional dollars are used to market their programs; gone is the day where everybody just reads the newspaper and finds everything they want to do in the newspaper, that worked in the good ole days but it does not work today; there are many different ways people find information and unfortunately for her staff they have to look at other options to promote their programs; if they do not market their programs then they do not get people participation in their programs, so in business, how this works is by letting people know it is there, why it is there, and what it can do for them; and that is real important for them. She went on to say the capital dollars, last year they saw a need to enhance their buildings and some office needs; they found ways to cut other areas in the budget to bring that money over to capital so they could complete that goal; and that is not just a one-time thing, they still need those funds in their budget.

Venetta Valdengo, Assistant County Manager, stated the 1,000 that was originally reported was in response to the request for mailings not foldings, they fold.

Commissioner Tobia commented okay, that is less than a dollar, it is maybe a quarter a fold; he inquired as the University of Florida, if her accreditation was Southern Association of College and Schools (SACS).

Ms. Seals responded no, they are extension faculty; they are not on campus faculty. She noted she is not sure what SACS is.

Commissioner Tobia spelled out it is Southern Association of Colleges and Schools.

Ms. Seals replied they are an AU school, a higher accreditation than what the University of Florida is.

Commissioner Tobia explained it is a Southern Association of Colleges and Schools, it is a regional accreditation, and that was not a question it was a statement; she may have an accreditation of her office, but the University of Florida, and she is an extension of them, is accredited by SACS; he is pretty familiar with the accreditation requirements for that type of university because he has sat on a couple of those boards; travel is not one of them; and when looking at faculty to student ratio, the degree, termination of faculty, facility, and there are 45 metrics out there or more, and he reiterated one of them is not travel.

Ms. Seals stated that is true.

Commissioner Tobia inquired if she thought it to be incumbent on Brevard County taxpayers to make sure her faculty receives tenure; he stated that may be a determination, he has no idea of someone who makes that at her level, but he wonders if that burden should be placed on Brevard County taxpayers, to make tenure.

Ms. Seals responded they are County faculty, not on campus faculty; they are obligated to different standards than what Commission Tobia is suggesting with SACS; they do not fall under that requirement; they are required by the university as extension faculty to share their scholarly work, and engage in professional development; to answer Commissioner Tobia's other question, if faculty does not receive tenure, then they do not have a job; and she does not know

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what else to add to that, it is a requirement. She added they have to abide by certain standards to achieve tenure, and if tenure is not achieved that person is gone.

Commissioner Tobia inquired if one of those determinations is travel to Salt Lake City or elsewhere.

Ms. Seals commented yes, wherever the conference happens to be, sometimes they get lucky and it is in Orlando.

Commissioner Tobia commented the Board all got handbags this morning and he inquired if that came out of promotional.

Ms. Seals replied she believes it came out of 4-H Association dollars.

Commissioner Tobia asked how many rain gauges were purchased.

Ms. Seals responded she does not think she purchased any this year.

Commissioner Tobia pointed out it is on the list, and he asked if she could help him with a number. He added Ms. Seals said she runs it like a business, but a business's reason to function is to create a profit.

Ms. Seals noted they buy rain gauges as promotional items when they do the My Brevard Yard Program, which is to teach residents how to manage their fertilizer and comply with the Fertilizer Ordinances in reference to the Indian River Lagoon; giving away these incentive items helps them in several ways; it is good marketing for the program so people share that; it helps in incentivizing evaluations, because one of the tenants of extension programming is that they evaluate everybody, everybody who comes through their programs are evaluated so they can measure impacts; and she has annual reports of each faculty member, they average about 63 pages, and it is full of verbiage about impacts, evaluation, things that are accomplished within their program area; and within the two programs that each faculty member is responsible for, they are also responsible for marketing that program, which may include rain gauges, gift cards if they are teaching a person how to convert their yard for a Florida friendly landscape and they cannot get donations, they may use gift cards as an incentive item; and a lot of times those costs are recouped in their fees, because they do charge fees for classes, they are not free anymore, they do generate revenues on those classes.

Commissioner Pritchett stated when Commissioner Isnardi, Commissioner Tobia, and herself first were elected they got to sit down with all the Department heads and they were given an overview of what they all do; she thinks Ms. Seals mentioned she was lower on employees than what she had at one time; she remembers the play for a vehicle, because she said they break down everywhere they go; and just from listening to Ms. Seals and looking through the budget, she would guess if these were funds she did not have to have, she would probably want to supply them to getting more help or getting that vehicle; and she believes she also pled for a larger budget. She continued, just on that note, listening to Ms. Seals, and spending time with her looking over the Department, she is pretty confident Ms. Seals is running a pretty good budget.

Ms. Seals commented in fact for the next Fiscal Year budget she moved that capital into salaries because they recognized a great need on the 4-H side and the community gardens; they were able to hire a part time person and then were able to make that person full time knowing that in the future they were going to be able to move that money to help with that need; and they looked at where they could prioritize, which has been a big challenge and a big priority

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of hers. She added if she can better serve the public this way then that is what she is going to do.

Chairman Smith stated he is fine with this.

Mr. Abbate reported there is one additional item not on the list that was discussed at the last Workshop that he would like to get some Board direction on; he noted it has to do with the Law Library; they have done some significant research on that issue since the last workshop; they got an opinion from the County Attorney's Office; and they have had dialogue with the Law Library staff. He went on to say the \$188,000 that is currently in the General Fund, he thinks there is an opportunity to move that over to the Libraries, leaving the reporting structure to the Board of Trustees the way it is; they have in effect an agreement with the Libraries dated back to August 1985 which is very significantly outdated, but it is still the controlling document; and that document needs to be renegotiated. He added he thinks they can accomplish what they are talking about as part of that renegotiation; in order to renegotiate, the current agreement says they need to give notice to the other party, which would be the Board of Trustees for the Library, by July 1st; since this is going to be the last meeting he would like to see if the Board is interested in giving him direction to do the renegotiation, to update the agreement, and to see about transferring those dollars over; and he believes the request was actually going up from \$188,000 to \$207,000 next year because under Statute they get 25 percent of criminal fee revenue per Florida Statute 939.185 and that has been going down. He continued he thinks they can take care of all of that if the Board wants to give direction to move that way.

Chairman Smith commented he and Mr. Abbate had talked about that and he thinks it is a brilliant move; he will defer to the other Commissioners, however, he feels that is something the Board would want to do.

Commissioner Pritchett stated she likes it too; and she inquired if Mr. Abbate had gotten any feedback from the Library.

Mr. Abbate replied affirmatively. He noted the Law Librarian was not able to get in touch with the Chairman but interestingly enough the Chairman of the Board of Trustees happens to be someone he went to high school with; and he will follow up with him to begin the negotiation if that is the Board's directive.

Commissioner Tobia inquired if the \$188,000 would be transferred over and they would have \$188,000 less for books, DVDs, and all the other stuff now that they would have to fill that hole.

Mr. Abbate stated the reason for doing this is to lessen the burden on the General Fund currently; and he understood that to be the direction the Board wanted him to go in.

Commissioner Barfield asked for clarification if this is not going to impact Library Services as they are right now.

Mr. Abbate confirmed and stated the renegotiation would memorialize what is currently happening, which is not in line with what the 1985 agreement states.

Commissioner Pritchett stated and yet the Library is buying into it, is a real positive.

Mr. Abbate stated he spoke to Jeff Thompson, Library Services Director.

Vanetta Valdengo added Mr. Thompson thinks he can absorb it and he thinks increased values will bring in additional revenue.

Mr. Thompson stated he expects the values are going to increase sufficiently so he can absorb this without any impact on public services.

The Board directed the Interim County Manager to negotiate and update the current Agreement with the Board of Trustees for the Libraries regarding transferring the \$188,000 from the Law Library to Library Services, and the savings to go back to the General Fund to be redistributed upon Board direction.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Rita Pritchett, Vice Chairwoman/Commissioner District 1
<b>SECONDER:</b>	Kristine Isnardi, Commissioner District 5
<b>AYES:</b>	Pritchett, Barfield, Tobia, Smith, Isnardi

**ITEM I.B., PRESENTATION, RE: UTILITY SERVICES**

Jim Helmer, Utility Services Director, stated Brevard County Utility Services Department provides for the protection of the public health through the operation of the maintenance of the publicly owned water and waste water systems; they have two services, County Water/Waste Water Utility and the Barefoot Bay Waste Water and Water District; they are both independent and separate utilities; the County Water/Waste Water Services operate and maintain five waste water treatment plants with over 50,000 connections, waste water collection system, reclaimed water system with over 5,500 customers, two water treatment plants one in Mims and the other in Sebastian Woods, with over 3,000 water connections, wells and raw water lines, and water distribution systems; financial management and billing functions are handled in the Mims billing office by County staff; and the sewer billing is primarily handled through Cocoa and Melbourne as they put the County's bill on their water bill each month. He continued they have recently implemented the \$148 million capital improvements program for the next 10 years to replace aging infrastructure; the Barefoot Bay Water and Sewer District operate a waste water treatment plant with over 5,400 connections, waste water collection system, reclaimed water system, water treatment plant which has over 5,400 connections, wells and raw water line, and water distribution system; and the financial management and billing functions of the utility are handled by the water and sewage billing office in Barefoot Bay, the office also handles water billing for the San Sebastian Woods utility. He noted they have to be regulatory compliant; they are implementing a \$4 million capital improvement program over the next five years in Barefoot Bay; the next slide shows where the money comes from to fund the Utility Services Department in which the budget is \$109 million; the largest chunk is the balance forward and is \$40 million, that is the money being accumulated to implement the capital program, so that balance forward over the years will gradually decline in the 10-year period; there are charges for services of \$37 million which is the money people pay for water and sewer bills; the other financing source is a State revolving loan fund grant, this year it is \$20 million, that loan was procured at 1.05 percent interest to build the south central plant expansion in Viera; State grants is \$450,000; and they have miscellaneous income, late fees, and sewer and water connection fees to make up the \$109 million. He went on to say getting into the expenditures side for County water and waste water service, the biggest part is the CIP, the main expenditure that they have; they have compensation and benefits and operating expenses; there is capital outlay of \$3 million; they have transfers out and reserves; and then debt service. He stated for Barefoot Bay Water and Sewer District, their largest chunk is also their capital reserves; debt service is \$1.2 million per year which is significant for the size of the utility, it takes up a lot of their money; compensation and benefits and operating expenses, reserve restricted is also tied to the debt service, and the CIP and capital outlay; their trends and issues include approval of a long term infrastructure improvement program that was approved by the Board in 2013; they obtained an FRS loan to

expand the south central plant in Viera, which will actually double their capacity; they have completed \$26 million of projects associated with the utility revenue bonds, that will be completed by September 2017; and also by September 2017, they will have had a complete renovation of South Beaches waste water treatment plant. He stated they have an issue with employee salaries and retention; specialized positions after training are often leaving Brevard County for higher salaries at other counties, municipalities, and the private sector such as licensed Treatment Plant Operators, Master Electricians, Mechanics, and so forth; on the recruitment side they have experienced a vacancy rate of 11-15 percent over the past year, which equates to 16-24 positions, a significant part of his Department; and it appears the pay scales seem to limit the qualified applicant pools, they do not get a lot of really top notch applicants when they have those jobs available, so they have to pick through what they receive. He noted that is his version of the utility budget.

**ITEM I.C., PRESENTATION, RE: SOLID WASTE**

Euripedes Rodriguez, Solid Waste Management Director, stated they are divided into two different areas; one is disposal and the other is collection and recycling; the disposal has all operating, personnel, and the CIP; the collection and recycling has all contracted services; as part of the budget process they require each section of the Department to submit a budget request by line items fully justified except for salaries, that allows him to know where to cut and where not to cut before presenting to the Board. He continued it is \$100 million budget; the balance forward is \$78 million and \$36 million is operating revenue; this is for the entire Department; he will be breaking it up into the areas he has discussed, collection and disposal; the Department budget he is not going to go through all of that detail, but the slide shows the breakdown on the expenditure side; payment and services is something that comes up often and it should say payment of services to other agencies; they pay to the Library in lieu of taxes, they pay to Mosquito Control, the General Revenue is the pretty much the pill in lieu of taxes, they pay for Code Enforcement, IT mail and servers, facility rent, and indirect cost allocation; and this is a total of \$1.7 million. He went on to say on the disposal side they have revenues of around \$80 million; the majority of the balance forward is \$55 million; and operating revenue is around \$24 million. He explained the breakdown of the expenditures includes operating for \$22 million, restrictive reserves for \$28 million, and reserves for capital; the restrictive reserves are the reserves mainly for the closure of the two landfills, as part of the requirements for operating a landfill is making monthly payments; they have an agreement with Department of Environmental Protection (DEP) in which they went for the escrow so every year they deposit into the escrow what they have consumed of life out of the landfill; the whole idea is so when the landfill reaches end of life there is enough money in there to make a full closure on it; if partial closures are done at the end of life instead of pulling it out of capital money, it is paid from here; he provided an example of the central disposal facility, the last time they paid it out of escrow because the facility only has about a year or so to go; and by central disposal he means the whole landfill presiding there, they still have the new one. He stated this is a further breakdown of the other as far as compensation and benefits, capital outlay, operating, etc.; he is not going to go through the detail of that because the Board has it in front of it; it gives a pretty good idea of where the money is allocated and how it is spent; with trends and issues, they have recently completed cell one which should give them another five to seven years' worth of life in Cocoa; cell one is built under the much more modern techniques that will protect the ground water a lot better than the old landfill which was first originally designed back in the 70's; they have completed the scale house, and they are continuing with the permitting of US 192; and in the future they will have to save money so when they go to build cell 2, it is a total of five cells for that landfill, they will have as much money as they can to pay cash for it. He added one other thing coming up in the horizon is they recently looked at a Titusville transfer station built originally in 1976/1977 and every time it breaks down they have to fabricate the parts for it because it is old technology; they are currently doing a study whether it would be better to replace the entire thing because they had a major breakdown of it, or to rebuild it; and that

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discussion will probably come pretty soon for next year and the CIP portion of the budget. He stated their difficulties are the same as everyone else as far as retaining employees and so forth; he wanted to bring to the Board something that he feels is troublesome; the blue collars as the economy improves is the first layer of his Department that starts getting turnovers quite a bit; but to have the equipment mechanic, he lost a position in 2015 and the Board can see the steps he went through to get to that position, and at the end of the day, the person came from Central Fleet, which means there is a vacancy in Central Fleet now that he took one of their employees; and he explained it took that long, they had a medical discharge of an employee that was a mechanic and at the end of this month, he has another that is going to be retiring. He noted he filled up one vacancy and now he has two; at the end of the day, they cover it with overtime; and they do not save the salary or anything like that because they have to pay it to somebody else to do the work because if the equipment breaks down, it has to be fixed. He continued on the collection side they have \$19 million; one of the things he wants to stress on the collection side is there is no employees, there is nothing that they control; there is a huge payment to the waste management for the cost of their services; the rest of the payments are made to the Tax Collector for collecting money for them; the Property Appraiser for using the software which allows them to bill to the homeowners; and they have a hurricane reserve and they are apart from the operating reserves. He went on to say he will get to the history of what happened to that fund shortly; on that day it was \$19 million, operating expenditures is \$12 million, the restrictive reserves was mainly the hurricane, and transfers which are payments to other Departments for their services; the trends and issues up to now, have been meeting their recycling goals as their goals are mandated; there are no real penalties for not meeting them except he is assuming DEP is going to be doing something about it as counties are not able to meet their goals; however, up until now his Department has been able to meet their goals, but he does not foresee that happening in the future. He mentioned in 2012, the Board authorized them to go out for competitive process to get a hauler for the one that is currently held by waste management; he did his research and never found any time that the Board had gone out for a competitive process; they did it this time and the end result was the Board selected Waste Management for it; the contract was started in 2013, and it is a seven year contract with a three year renewal on it; at that time, contrary to the past when they had renewed the contract, this time the Board decided to go to a two year increase instead of averaging the increase for the entire year or period of the contract; and there was a zero increase in year one because there was no increase in the contract itself and in year two there was an increase of three percent. He noted in 2015, his Department came back to the Board and requested guidance as far as what they wanted to do for that and they were told, the hurricane reserves at that time were around \$5 million, to bring the reserves down to \$4 million and at that time come back to the Board and that is what he is doing now; the hurricane came along, he had \$4.1 million and he is estimating their local share is going to be \$1.6 million which will bring them below the levels that they were told to maintain; and not only that, the cost of providing the service is more than what they charge. He added if they continue to go at the rate they are going right now, November of 2018, this number would have changed had there not been a hurricane, they will not have enough money to make the payment to Waste Management; they will have to make a partial payment then the rest of the money at the end of November from the taxpayers will come in and everything will be okay until October of the next year; and after that period of time, when they cannot pay, it will continue to grow. He provided the Board with the process, stating it is a Municipal Service Benefit Unit (MSBU) and as such time they collect their money through assessment; in assessment there are very strict guidelines as far as how to go about notification and so forth on rate increases, in which they consulted an attorney's office to make sure those guidelines are followed; there has to be a notification for the assessment payers about what the maximum can be advertised for; that does not mean the Board cannot select an option that is lower than that, it means the Board cannot select an option higher than that; that is what they have done in the past and they go to public hearings; they have to send out letters to every single property owner in the County; and in this case it is collections, it is property owners, and the unincorporated area, the residential property owners. He explained if they were to average

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out the remaining in the contract and still bring the reserves back up to the \$4 million, they would be talking about it going from \$128 to \$160 a year; there are various options that can be done, but that would average it out for the homeowners so for the remainder of the contract they would not have to worry about any increase; there is a whole gamut of options to select from, but homeowners tend to be able to plan better if they know exactly what the assessment was going to be for the next few years; the contract with Waste Management has a cost of living associated with it, it is considered that way in the projections, they have up to three percent annual cost of living; he does not know what the economy is going to be, so his projection is based on the three percent; another thing that affects the rate is how much they get for their recycling materials, right now the markets are bad; he has seen it as high as \$200,000 and as low as right now at \$70,000; and they are susceptible to the ups and downs of the market being that way and being the way they collect their fees, they cannot really depend on that money to subsidize the recycling except for it eventually evens itself out. He went on to say it is all contracted out; he has no employees, there is no operating expenditures on this, there is only one item in there that is about \$40,000, and it is to send letters out in case of a rate increases; and other than that, there are no operating expenses that he can control.

Commissioner Pritchett inquired if Mr. Rodriguez thought to break even the Board would have to raise it from \$128 a year to \$160 a year per household.

Mr. Rodriguez confirmed it would be for the life of the contract.

Commissioner Pritchett responded that is like \$2.66 per month, per household; and she inquired what the total dollar amount was that he thought would need to be collected, and if he had that information. She asked if this was to cover the County's own costs for what they use in service.

Mr. Rodriguez stated \$162.10.

Commissioner Pritchett stated they are talking about the money the County has to keep in escrow to complete the end date of the landfill; and she inquired if the County is allowed to keep that in an interest bearing account or reinvest those funds as they are holding onto them.

Mr. Rodriguez stated the funds are in an interest bearing account; however, it is limited as far as where the money can be kept.

Commissioner Barfield asked for clarity if the County would be in a deficit or if this was more of a cash flow issue once it is 2018. He commented he is concerned when money comes in at one time.

Mr. Rodriguez stated they will be out of cash.

Commissioner Barfield clarified they would be at a deficit.

Mr. Rodriguez reiterated they were going to run out of cash.

Commissioner Barfield suggested he maybe come back to the Board with some specific options.

Mr. Rodriguez stated he can come back as an Agenda Item; however, he did want the Board to be aware of it, because the Board will have a lot of people once the letters go out, who will come in front of the it. He stated there are various options such as yearly increases, in the mid-2000s they did a one-time increase for establishment of the hurricane reserve and then brought it down for the rest of the life of the contract to even it out; and he found back then that the

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public was very understanding having just come out of a hurricane, that was key because they knew what they were paying for.

Chairman Smith stated he concurs, he would like to see those options and then the Board can make a decision.

Commissioner Tobia inquired what the increase would be if the Board was just getting back to cover the cost of service, aside from the set aside, to cover the contract, where they would not need extra expenses from general revenue or whatever.

Mr. Rodriguez replied he has not run those numbers; that is a valid question; the level of reserve was based on the local share due to the 2006 local hurricanes; they had accumulated the \$5 million; \$4 million was a 25 percent share of the cost of the hurricanes back then which were around \$20 million; and he would not recommend being without reserves of some sort, but the level of reserve would be entirely up to the Board. He commented if the Board wishes to bring the level of reserve down to \$3 million that would change all of his numbers and he would have to run them again; it would help him greatly if he had an idea of what level of reserves the Board would want, because he could bring back the options based on that; and if not, the Board would have 15-20 options on different levels of the hurricane reserves.

Commissioner Pritchett asked Commissioner Tobia to ask the question one more time for clarification.

Commissioner Tobia explained that the County has to pay a certain portion of hurricanes. He inquired if the Federal Emergency Management Agency (FEMA) was picking up the bulk.

Mr. Rodriguez commented FEMA pays 75 percent, the State pays 12.5 percent, and the local portion is 12.5 percent.

Commissioner Tobia inquired if the County needs a reserve for their one-eighth; he stated his question earlier was where did he end up with \$4 million; Mr. Rodriguez's answer was that was in 2006; and that was when the County had hurricane after hurricane.

Mr. Rodriguez stated there were three hurricanes in a row.

Chairman Smith stated that was 2004.

Commissioner Tobia questioned whether the Board wants to have a reserve for a one in 10 event or a one in 100 event.

Mr. Rodriguez explained if they compared a hurricane in 2006 versus the hurricane last year, last year they spent \$16 million for one hurricane versus the \$20 million for three hurricanes.

Commissioner Tobia inquired if the County had spent one-eighth of that \$16 million.

Mr. Rodriguez explained it flowed through the coffers of the County and they are still waiting for reimbursement; they will be reimbursed to the point where the actual expenditure for the County would be \$1.6 million, estimated versus \$4 million in the past.

Commissioner Tobia remarked that is great.

Frank Abbate, Interim County Manager, inquired if Mr. Rodriguez plans to bring this back in an August time-frame.

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Mr. Rodriguez stated he would have to bring it back in July in order to be able to advertise on time, it has to be 20 days before public hearing; however, they have had public hearings in the last meeting in August generally.

Commissioner Isnardi stated where she is getting a little confused is the pots of money; she inquired if that is the cost for service because she knows there is a cost for service versus what the cost is to collect; and she questioned if the cost for the landfill usage was in there as well.

Mr. Rodriguez responded negatively. He went on to say they are two separate pots of money that cannot be mixed together.

Commissioner Isnardi expressed that was exactly what she wanted to know.

Mr. Rodriguez stated the collection side has the payment to Waste Management, the payment to the Tax Collector is a certain percentage for collecting the funds, the payment to the Property Appraiser is for using their database as part of his billing process, and there are a few other payments; however, they are all mandatory, there is no discretionary except for the \$40,000.

Commissioner Isnardi mentioned she knew he had stated that, she just wanted it stated once more in case she was missing something.

Mr. Rodriguez responded Commissioner Isnardi is exactly right, it can be confusing; and the way to think about it is as two separate businesses, and he cannot mix the money together.

Mr. Rodriguez asked if the Board had any idea for the reserve.

Chairman Smith inquired if \$4 million was the ideal to Mr. Rodriguez.

Mr. Rodriguez stated the \$4 million was based on 2004; in 2015, they spent \$1.6 million on one; anything between those numbers, the Board's guess is as good as his own; and he thinks \$3 million would be more than enough, however, it depends on the severity of the storm.

Commissioner Pritchett asked if he wanted to get a risk assessment on what he feels would take care of the County adequately.

Mr. Abbate stated they can come back and they will most likely be in the area of \$3 million.

Chairman Smith inquired if \$3 million is the number the Board targets and there is another abnormal season with more hurricanes, and it wound up the County needed \$4 million, what would the County do for that \$1 million shortfall.

Mr. Rodriguez responded at that point in time they would have to borrow the money. He stated he would be in front of the Board again requesting additional money; and that could be next year or 10 years from now.

Mr. Abbate pointed out during the course of such an event and the County had \$3 million and it needed \$4 million, it does maintain in Risk Management a catastrophic reserve of over \$2 million, so that money could be pulled in that kind of situation. He went on to say the County still has the resources within the County system and he does not believe that has ever been pulled from.

Chairman Smith stated his concern is in 2004, Brevard County had four hurricanes and in 2016 there was one, that one was off shore and did minimal damage in most standards, and it still caused more yard waste than those four combined, so those are the numbers he is concerned

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with; if the County can cover a shortfall and Mr. Rodriguez thinks \$3 million would be adequate then he thinks that should be the target number.

Mr. Rodriguez commented for purposes of actually doing the job, what they have done in the past is to freeze every CIP over on the disposal side and he would come back to the Board and ask permission for a loan from the disposal side, so the collection side would have the money up front for the contractors and wait for FEMA to eventually pay them, then they could repay the disposal and come back to the Board; however, the job would get done.

Chairman Smith stated he thinks the \$3 million would be prudent if the County could cover any shortfalls; and if it is a regular season then \$3 million would be more than enough.

Mr. Rodriguez stated he will base the options on the \$3 million reserve.

Commissioner Tobia asked if he would also do a base line as if there was no reserve; and he clarified if they are subsidizing even without dealing with reserve and if the fee for service is actually less than the cost of the Waste Management contract.

Mr. Rodriguez asked for Commissioner Tobia's question to be rephrased.

Commissioner Tobia inquired if Mr. Rodriguez said \$128.

Mr. Rodriguez replied affirmatively.

Commissioner Tobia inquired if that covers the Waste Management contract.

Mr. Rodriguez stated they are slightly upside down right now, but not by much.

Commissioner Tobia asked if he could elaborate on how far upside down they are before dealing with reserve.

Mr. Rodriguez stated he could give a projection right now if the Board was to do nothing and he provided the Board a number. He went on to say remember when he had commented earlier that they would run out of money in November, it was based on not doing anything at all.

Commissioner Isnardi asked Commissioner Tobia to correct her if she is wrong, but she thinks what his concern is, is that the County will charge people more to build up the reserves and the County should not be charging them more for the service that they are paying for.

Commissioner Tobia stated she is correct; he wants a base line before the Board determines if there are other places it could get those resources because if it goes in with \$3 million it does not give them a minimum that would be needed to cover the costs.

Mr. Rodriguez stated he could do a projection based on the number that came down, say \$4.1 million reserve money, and it is \$1.6 million expected to be spent and freeze the reserve at that point in time, and do the projection based on that, if he understands correctly. He went on to say, the service that they would charge would be exactly what they are paying for, and leave the hurricane out of it.

Commissioner Tobia noted the way he is looking at this is the one Mr. Rodriguez handed out, the Fiscal Year 2017, it looks like they collect \$128.21 and the Waste Management combined rate is \$126.

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Mr. Rodriguez replied yes, and explained there are other expenditures as he mentioned earlier like the Property Appraiser, the Tax Collector, and so forth.

Commissioner Tobia inquired where that is in the PowerPoint.

Mr. Rodriguez explained it is under transfers and there is a budget transfer to the Tax Collector and the Property Appraiser.

#### **ITEM I.D., PRESENTATION, RE: VALKARIA AIRPORT**

Steve Borowski, Valkaria Airport Manager, stated this is a short presentation which he will talk about their customers, tenants, assets, and capital investment program; this is the mission statement; these are their weekly customers, the State Department, the Military, air taxi, power paraglider school that flies in the mornings and evenings, that is a similar helicopter for what the Brevard County Mosquito Control has which flies night and day, but mostly night operations out of the airport, the aircraft next to that is Melbourne AAR who do pilot qualifications and they fly those aircraft all over the world, they have experimental aircraft that are built and flown there, and their general aviation aircraft included Cessnas and Pipers; and they have ultra lites and a flight school with multiple instructors. He added they have almost 560 acres, four main asphalt runways which are 4,000 feet long, four grass runways, multiple taxi ways, helicopter operations area, asphalt tie downs, numerous grass tie downs, the airport office is a trailer, and a small flight planning area that was not big enough 10 years ago so it has been outgrown for quite a long time. He explained they sell 100 octane low lead and Jet-A to the public; they have auto fuel and Golden Bear which is a chemical that Mosquito Control sprays; and they are getting an upgrade on the fuel system this month and he will probably be coming back to the Board in the new year requesting to sell the auto fuel to the public. He mentioned some of the newer aircraft coming out are now taking auto fuel as opposed to the 100 octane low lead. He added they have 71 hangars and no vacancies, with a long waiting list; the hangars are their cash cow; they have aircraft manufacturing, avionics shops, and a wire harnessing shop that has to do with aircraft, they have Brevard County Mosquito Control, the Habitat Golf Course which the airport owns the golf course and the County owns the airport, and they have multiple recreational areas, which includes two parks and a variety of non aviation activities from radio control, aircraft, and on the ground; and they have about 130 tenants. He continued there is 103 single-engine aircraft, four multi-engine aircraft, one glider, three helicopters, three gyrocopters, and 15 ultralights; they do about 53,000 operations a year which equates to about 145 operations a day which is a take-off and a landing; they are not an enterprise, but they are run like an enterprise fund; they are totally self-sufficient; they take no money from the General Fund; their revenues are exceeding their expenses; and without capital and investment programs, they are about just shy of \$800,000 in their operating budget a year. He went on to say as the Board knows, they have been doing a lot of capital projects with the support of the Federal Aviation Administration (FAA) and Florida Department of Transportation (FDOT) to make that happen; they are coming down on the closing of that, multimillion dollar projects will be going away in just under two years; and in their federal grants it states the revenues made on the airport property are to stay on the airport budget. He provided a slide with a picture of the airport; the large runways on the side, the one on the bottom is 1028 and has just been finished being rehabilitated, the one on the north side is in the budget for next year at \$1.7 million to do a rehabilitation of it; the apron was done a few years back; there are three rows of hangars with the fourth row being completed; and the fifth row is in for next year's budget, it was in this year's budget but FDOT elected to slide it to next year's budget without his approval. He stated they do about 50,000 gallons of 100 octane low lead a year; the price changes on gasoline, it has gone as low as \$3 per gallon and as high as \$5 a gallon in the last two years, and it is market driven; he pointed out on about 50,000 gallons per year they net about \$25,000 to \$30,000 a year, it is not the biggest money maker for them, but it is a service to the public and the tenants; the hanger revenues are the biggest money maker; he had built two complexes since he has been there

and each time they build a new hangar complex the revenue goes up about \$50,000 - \$75,000 on each hangar complex; they net out about \$30,000 on each one of those complexes; and he reiterated they get a lot of help from FDOT on those types of assets, 80 percent from them. He continued since they became a federally obligated airport in 2008, they have completed \$13 million in projects, while in the previous 30 years they had only done about \$300,000; the first master plan was approved 10 years ago and they have just completed a second one; every five years the FAA and FDOT make them go through it and they are complying exactly with the master plan; it is probably one of the plans where the results were exactly what was stated in the master plan; as the Board knows the FAA traditionally funds their grants 90 percent and the State always matches around the eight percent mark, they put up two percent; the County was really pushing for the last few years of leveraging dollars; and he thinks they do a great job, for every \$2 they put up they receive \$98 back in asset improvement. He explained the State fund is a little bit different; the FAA will fund runways, navigation equipment, aprons, and things like that; the State will fund the terminals and hangars; the State funds 80 percent and they put up the other 20 percent; all the tax dollars, grant dollars come from aviation fuel tax, 100 percent; they have completed about 19 projects at \$13 million; currently they are building the new general aviation terminal, it is a 6,000 square foot terminal building and it will go into next year; it is a \$3 million asset; and next year they are expected to do the construction of hangar F and the rehabilitation of runway 1432. He mentioned at the completion of next year, they should be around \$23 million that they brought in to the airport in the past nine years; this is this year's capital project and it shows the general aviation terminal is up front at \$3.2 million; T Hanger F complex was bid at the same time, the terminal was the base and the T Hangar complex was the alternate one of which the State was going to fund this year; the State elected to fund it next year, so the State's funding for that project is coming to them, if the Board accepts it, hopefully in July; and they did the design of the rehabilitation of runway 1432 with federal funds and the construction will be done next year. He went on to say their fuel sales are increasing about 20 percent since 2008 which is not a big money maker, but it does continue to increase; the demand for the hangars is very high and he reiterated they have 100 percent occupancy with a long hangar waiting list; the revenues are increasing; the hangar F construction will be in next year's budget and they have a high desire to complete that because the earnings from that hangar will pay the full debt service on the general aviation terminal as the terminal does not make any money it just eats money; and that was a verbal agreement with the State if they moved forward on both of those projects they would make sure to get the hangar. He noted they need the GPS approach, it is one of the last items after they complete the runway rehabilitation next year and the terminal, because it is not a big expense, only about \$100,000 to \$150,000 in surveys and different issues; that last thing is staff retainage; although he does not have a large staff, he loses them every three months because he cannot pay for them; he just lost another last week; they come in for a few years to get educated and then they get \$35,000 more a year than they were making here; and he has a problem with that.

**ITEM I.E., PRESENTATION, RE: TOURISM DEVELOPMENT**

Eric Garvey, Tourism Development Office Director, stated he is going to take the Board through the fiscal 2017 budget; his office is primarily responsible for the tourism development activities in the County which is destination marketing; they report to the Board through the County Manager's Office; in addition they oversight through the Tourist Development Council; they are funded by the Tourist Development Tax which is a restricted funding source; five percent tax assessed on short term rentals in addition to all the other applicable taxes authorized by Florida Statutes 125.0104, which provides restrictions of its use; and it is implemented through local County referendums, the voters voted for the Tourism Development Tax on four different occasions in the past and implemented the various pennies which gives them their local option tax plan. He continued being that they are primarily funded through the Tourist Development Tax, their forecasting is a big deal so they spend time making sure they get the numbers right; the adjusted budget for this year is a \$14 million tax collection that gets allocated by the local

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option tourist tax plan; this shows how the pennies get split up; they basically take the money in, allocate it as the Ordinance requires, and spend it according to those specific funds; the operating revenue shows a big chunk of the taxes that are collected, \$14 million, and because it is a forecasted revenue source they do take a statutory reduction of five percent; there is some miscellaneous interest collected; and the intergovernmental is the State's portion of their beach improvement activities, the State provides some beach improvement funding to reimburse them for their overall beach improvement plan. He explained the non-operating revenue is basically all balance forwards and primarily made up of beach improvement reserves and the stadium reserves; operating expenditures in this year's budget is a little inflated because of the activities related to the Space Coast Stadium and the beach improvement projects after making up most of that operating expense; their normal operations is about \$6.2 million of operating expenditures to run the Tourism Development Office; of that, \$5.6 million is promotion and advertising; the non-operating expenditures show the stadium is their only Capital Improvement Project (CIP) at \$10.35 million, with \$10 million being improvements for the United States Specialty Sports Association (USSSA) to make the stadium their home and there is some early budget allocation towards some maintenance, however, he does not think they will use the entire \$350,000, but that was all part of the stadium; and then they have some restrictive reserve related to capital facilities and some other funds. He added capital reserves are primarily the beach. He went on to say they do not pull from the General Fund but they do like to show how tourism benefits the community; it shows how the expenditures from guests get split up and allocating that to the tourist spending in Brevard County; it was \$2.1 billion last year according to tourist economics; surprisingly only 25 percent of spending is on lodging, a lot of people think it is heads in beds; that gets guests here but 75 percent of their expenditures go on other parts of economy; and then according to tourism economics there is \$96.8 million in local tourism related tax revenues generated. He mentioned since he has been with the Tourist Development Office he thinks his office has accomplished quite a bit in getting the office reorganized and focused on promotion and advertising; he believes it is paying dividends since they established a new marketing team which includes some in-house research and analytics, very much content oriented which is the trend in today's world; all data driven and campaign's great partnership, Facebook, Instagram, and they are also getting tourist development taxes collected by Airbnb. He noted their biggest challenge right now is with high room demand; they have some opportunities to guide hotel develop; he always has several projects under way, six in the community; and the nice thing is, it benefits the entire community. He added they have projects in Cocoa Beach, Viera, and Titusville; they are hoping they can seize some additional projects near downtown Titusville; they have a great opportunity with amateur sports coming in; space related tourism is big now, and cruise related tourism is significantly impacting the community, and they have been working on some destination brand identity that will better identify their specific destinations within Brevard County or the Space Coast; and they have ongoing research and data collection in partnership with Florida Tech, eco-tourism opportunities, and more.

Commissioner Pritchett stated she got to tour the new ball field, USSSA; she mentioned it was breath taking, if anyone gets to go on that and hear what is coming in; he has China booked for a while with some tournaments; and she thinks this is going to be one of the most exciting tourist developments in this County over the next couple years. She commented she thinks this is going to bring a lot of tourists in the area and she thanked him for working on this and making it possible.

Chairman Smith noted more than just tourists, as he mentioned at the ground breaking, there are going to be an awful lot of people come into this community, parents and kids, who will like what they see here; a kid that might be six, eight, or 10 now starts looking for a college they might wind up at Kaiser University, Florida Institute of Technology, or Eastern Florida State College; and people who are bringing those kids down are working so when they stop working they might want to retire; and he stated what better place to come than a place they have

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already experienced. He added the County is advertising itself every time someone comes to visit here; and he thinks it is a big positive to bring people here. He went on to say when he took office two and a half years ago, the Board knew the Nationals were going to leave; he was looking at that stadium as a big white elephant because it had no market appeal, they were not going to get any national league in because they were not going to pay the money and the County was not going to spend the money to make it how they wanted it; USSSA is like a Godsend; and it is going to be a win, win for the County.

Commissioner Pritchett stated the County could not have asked for anything better as far as bringing up the economy and the room nights in a hotel; and she thinks this is a game changer.

Mr. Garvey commented that he agrees; he had a chance to meet with the CEO and he was impressed by his passion for the sport; he could pull out every jersey for every professional softball player that will be playing there and tell their background; it was quite amazing; and he thinks this is going to be a significant driver in the short term.

Commissioner Pritchett stated this could be spread out all around the County so there is opportunity for all five Districts to start utilizing some of this civility through the County.

Chairman Smith stated they have already spoken with him about doing things for the other Districts around the County; and they will get into those details as they get further along.

Commissioner Isnardi stated she was not against the project and she is not trying to be a naysayer however the issue she has with the USSSA deal is the fact that the County did not require them to go out for bid on the turf and the lights; and since that hit the press, she has had companies reaching out to her on how to bid for this job; she does not know if they caught wind of the controversy; however, she reiterated it was not the project she had an issue with. She continued she would rather have somebody in that stadium doing something good; and she just thinks the Board needs to be mindful because that is a lot of money, in the future.

Chairman Smith explained from their point of view, he agrees with Commissioner Isnardi about this being a competitive marketplace guide, but their point was these are companies that they have already established business with and they are already getting significant discounts from them; and that is why they were selected.

Commissioner Isnardi commented that would have been pretty easy to prove.

Chairman Smith reiterated he agrees with Commissioner Isnardi; it probably would have put a lot of concerns to bed had they put it out for bid and came up with the same answer.

Commissioner Isnardi stated they could have very well been right as far as getting low enough prices; however, it would have been nice to go through the process.

Chairman Smith stated they recognize that.

#### **ITEM I.I., PRESENTATION, RE: PARKS AND RECREATION**

Mary Ellen Donner, Parks and Recreation Director, stated the first slides indicates the depth and the breath of the Department; this is what they manage; this shows their partners, this is their day-to-day business; she just wanted to point out how large they actually are and the scope of services the Department actually provides. She then turned the presentation over to the Recreation Support Services Manager.

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Larry Wojciechowski, Recreation Support Services Manager, stated the first couple slides are the ordinary pie charts that show the overall budget for Parks and Recreation; then there is the checkbook method that takes pieces of the budget out to get down to the operating budget; this slide shows the budget is \$61 million; the next slide is the debt service which is \$17 million and every bit of it is voter approved dollars; after pulling the debt service, the budget is down to \$44 million; the next part, which has been shrinking throughout the years, is the capital project and all of them except one is voter approved; the one that is not voter approved, is the Brevard Boating Improvement Program; and the funding for that one comes from the registration of vessels, and the money can be used for docks, ramps, and different items of the like. He continued now they are down to an operating budget of \$36 million of which 35 percent is taxes with the majority of it being voter approved taxes; the citizens of Brevard County have voted multiple times to support Parks and Recreation; the next slide goes back to 2007 compared to now; the General Fund was \$20 million in 2007 and now they are down to \$12 million; they have lost \$8.1 million or 40 percent of General Fund; and as General Fund decreased so did the ad valorem taxes for all the voter approved, as everyone knew the property values were going down, therefore, all of their other voted millages were going down. He added the property values were also going down so they had to move money from the operating to help pay for the debt; their budgets were not only going down two-fold but three-fold; as they were cutting they lost 265 Full-time Equivalents (FTEs) or 45 percent of their staff; as they were going down they were still building all the referendums, their projects were still being built; and they ended up building three regional parks, three community centers, and two community facilities as everything was going down. He went on to talk about Environmentally Endangered Lands (EELs); he stated EELs operating budget is \$2.6 million and all of it, for the most part, is voter approved dollars; the next slide shows back in 2011, where there were two taxes being charged to the citizens of Brevard County; after 2011, the 1991 millage was sunset and they lost \$1 million to the EEL budget; the slide shows, in 2018, the revenues and expenditures are about to meet; under normal circumstances that is where they want to be, however, the funding being utilized to get to that point is balance forward dollars; they have money from 1991, bond dollars, that was not spent, it was \$3 million; they asked the Board back four or five years ago if they could utilize that money to help support the EEL Program because they knew they had a problem, and the Board approved it; and now what they are doing little by little is transferring the money to assist the program to stay operational. He went on to say, in 2018, the money will dry up; the next slide shows what will happen once the money is gone; he understands this is showing static, they are not cutting any expenses, so it only shows a static expense; it shows they do not have enough revenue dollars to support the EEL Program; the discussion has to come up as to what they do to get there; and that is why they are here today amongst many other things. He noted in 2025, the EEL Program totally goes away as there will be no funding left for the program; they have spent over \$100 million in properties that are on the books now that are being managed but in 2025, there will be no money to maintain them; and somewhere along the way they will have to come back before the Board for a decision. He stated with trends and issues they currently in the parks program, have \$23 million in unfunded needs, even with the referendums that they had back in 2000/2001; the demand is so great on the parks program with needs as they were dropping and revenues were falling that they went from a very proactive maintenance program to a reactive program; they basically have to wait for whatever to break before they fix it; and now they are starting to get a little bit of a turn and starting to go to a proactive approach; they are hoping they can keep going in that direction; if they actually fall back into reactive mode, they spend more money to fix things that are totally broken versus fixing them before they break; and what they are talking about is becoming a smaller efficient park system. He added they have actually conveyed 13 parks over to various municipalities and they are in the process of conveying two more; and he mentioned they are also in discussions of talking about fees, potential parking fees and boat launching fees because they have to start looking outside the box.

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Gail Meredith stated she is there to encourage the Board not to cut the EELs program; the children of this County get very poor education about environment and this is the one program the County has to educate them; it also educates the people who are putting fertilizer on their lawns that is pouring into the Lagoon; she has been attending the Citizens Oversight Committee and one of the things she learned is about the fertilizer problem; they have just spent an egregious \$300 million in the County to clean up the Lagoon; and she believes if the Board cut these programs it is working against the community and being penny-wise and pound foolish because the citizens will need to be retrained to live with the environment instead of poisoning it. She commented until that happens, the County is going to have a serious problem with the Lagoon no matter how much is spent to clean it up. She continued she is also concerned with the cutting of things the Board does not even know what it is cutting with Commissioner Tobia's leadership; this approach is very poor and it is how the Lagoon got to the shape it is in; it is how the roads got to the shape they are in; and she thinks the Board needs to become wise in the management of its resources. She went on to say the citizens look to this Board to lead them in this regard as opposed to being whimsical, silly, and shaming the County's own employees because they are just spending the budgets they have; and she hopes the Board comes to its senses soon before the Lagoon is poisoned even more than it already is.

Chairman Smith asked the audience to keep their personal opinions to themselves if they do not like a Commissioner, someone can just refer to policy or such.

Karen Moser stated she promises not to call out any of the Board members individually; she would like to speak to her personal experiences because Parks and EELs are part of what makes Brevard County special; they are valuable assets for both residents and visitors; she, living down by Malabar, Turkey Creek, Jordan Scrub, Malabar Scrub, takes her out of town guests to these places, and they have always enjoyed it; she volunteers at Turkey Creek and if there is any waste in extravagance there, she certainly does not see it; as she sees it, they appear to be running things on a shoe string budget; and she does not know how much more efficient they could get. She continued not only using the property themselves, but what it does for the environment is also valuable because they have a big area and having the Sandhill Cranes strolling through their yards and juvenile Gopher Tortoises digging burrows, they know they would not be there if they did not have land for their parents or a place for those colonies of animals; and land cannot just be set aside with the damage that has already been done, there is work to be done and that is why it needs to be maintained. She went on to say the area was chosen in the first place because it was not completely built up; and she believes in this situation the right thing to do is also the political thing, as the voters have made it clear they are interested in the environment or they would not have passed the Lagoon sales tax. She mentioned if the County needs more money for roads, that is what the gas tax is for; that is fair because the people who use it more pay for it and visitors help too; if the County were to add a penny or two to that nobody would even notice; and she asked the Board not to cut the Parks and Recreation Budget.

Maureen Rupe stated as for the EELS referendums, the people only have to look at the State Statutes and other things to know that it would be quite a feat to be able to do that especially with all the people who are behind it in Brevard County; she stated the MSTUs in the 1990s, the one she knows most about is the one in Port St. John because she voted for it and it was the first one in Brevard County, they went to the Board to ask for a community center but there was no money, so the community got together and asked Commissioner Truman Scarborough if they could have a referendum just in Port St. John and Canaveral Groves; they asked for the community center and a ball field and it was passed; they went on to put a 240-acre park at the end of Fay Boulevard and it passed 82 percent; and she thinks, just the same as with the EELS, if the Board cuts Parks and Recreation or EELs when people have taxed themselves again to pay for this quality of life, the Board is going to have a big problem.

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Catherine Haynes stated about three years ago she and her husband moved to this area from Texas; they chose to move here not because the abundance of strip malls and the conditions of roads leading to places to shop; the only reason for selecting this area of the country was for the natural environment and everything it offers; the current County budget proposes are a dramatic attack on the cultural, social, and environmental values she believes most residents of this County endorse; she knows the Board has a difficult choice to make in establishing a new budget and she does not have a definitive solution to the multi-faceted issues the Board should consider, but that is why she did not run for office, the five Board members did and their constituents are counting on them to show their true leadership; in this case leadership does not mean simply slashing budget line items or cutting whole programs; and she noted if it was that easy any one of the people here could easily serve as Commissioners. She added instead leadership takes courage; the decision the Board makes now have a far reaching impact upon the lives of an ever increasing number of people living and planning to live in Brevard County; in her mind, the Board's job is to leave Brevard County fundamentally better than it found it; the Board is it's steward; and she asked the Board to roll up its sleeves and think innovatively, creatively, humanistically, and futuristically when finalizing the budget.

Vince Lamb stated many organizations conduct turtle walks during the nesting season; in Brevard County thousands of people have the experiences of observing nesting turtles close up on the beaches; this County shares the world's most important nesting beaches for Loggerhead Turtles with Indian River County; many of the turtle walks take place in Brevard County parks and this is just one of the many great experiences that are provided by Brevard County Parks; the parks, including the EEL program lands and centers, are treasures of this County for residents and tourists alike; they provide great facilities and programs to get outside, exercise, and to just enjoy nature; and there are many people in attendance today to support the Parks and EELs programs. He continued some are there to speak and others are there to show their support; and he asked the audience to please stand if they are there to show support for these programs. He inquired if these people could count on the Board's support.

Bill Hillberg stated as a 32-year resident of Brevard County he urges the Board to support the EELs program as well as the Parks and Recreation areas and programs; Florida State Statute 359.032 states "it is the Legislatures intent that lands acquired for conservation and recreation purposes be managed in such a way as to protect or restore their natural resource values and provide the greatest benefit to including public access to the citizens of this State"; using EEL lands for agriculture and so forth is not in accord with State Statute 259.0232, nor the will of Brevard citizens; such proposed uses violate the intent and authority of the Brevard citizens who have overwhelmingly approved the two EELS referendums; and the Brevard County citizens want the EELs and Parks and Recreation lands well managed and protected. He noted in addition to increasing the value of everyone's own properties, these are an economic boost to the entire County that this County cannot afford to lose.

Mary Hillberg stated as a native and lifelong resident of Brevard County she is in attendance to urge the Board to support the EELs program as well as Parks and Recreation and all their programs; another part of the Statute reads " it is the policy of the state that the citizens of the State shall be assured public ownership of natural areas for purposes of maintaining the States unique natural resources protecting air, land, and water quality, promoting water research development to meet the needs of the natural systems and citizens of the state, promoting restoration activities on public lands, and providing lands for natural resource based recreation"; if the Board does not believe that the natural resources in this area are an intricate part of tourist development, then it needs to look again; although she sees a lot of beaches in the budget, there is not too much about anything else because Parks and Recreation and EELs take care of that; nobody goes to Orlando or Fort Lauderdale to see green and clean and enjoy the environment, they come here; and if they come here they will end up buying here. She went on to say when they buy here, businesses will follow, and the economy will rise; with two

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resounding referendums having been voted, the majority of Brevard County citizens want the EELs and public Park and Recreation programs protected and expanded; and she urged the Board to do so.

Bo Platt stated he grew up here, left in 1977 for college, and he came back after retirement about four years ago; the whole time he was away he had planned on returning; what drew him back to this County was, as a child he fell in love with Brevard County's natural resources, the savannahs, the swamps, the Lagoon, the beaches, the variety of plants, and the animals; back in the 1960s, and as a kid the natural areas surrounded him; obviously after half a century that has changed, but there are still some bright spots; fortunately he can thank the voters of Brevard who had the foresight to protect some environmentally sensitive areas across the County as they voted this not once, but twice and the votes were not even close; and 70 percent of the voters made a conscience choice to invest in the County's quality of life by protecting over 20,000 acres of the County from development. He continued they voted to protect these lands and keep them in their natural state for the native plants and animals and for the people who enjoy visiting these areas; the voters did not vote to hold these lands until it became expeditious to sell or lease them to avoid making really hard budget decisions; he heard a woman speaking about the endangered lands this weekend and what she said was, "what this County needs is not politicians that focus merely on the present, but true statesmen that have the wisdom and the strength to benefit not just this generation, but the generations that come after"; he noted we need statesmen today that people will be thankful for in 50 years from now; Brevard chose overwhelmingly to invest in this environment over a quarter of a century ago; and he asked the Board not to ignore their direction in a quick fix to a budget solution that requires a long term strategy.

Kim Smith stated when they looked at where they wanted to live in Central Florida they looked many places; she is sure that everyone realized at a time in their young lives that they had to move out, find food, water, and shelter; once that was down, they had to think about finding quality of life; that is why they are here, for quality of life; and everyone has probably noticed on Saturdays and Sundays the traffic that comes towards Brevard County with all sorts of boards on the back of vehicles, wind surfing boards, surf boards, kite surfing boards, and the boats and bicycles come in over here to enjoy what they moved here for, to live and enjoy; and she mentioned Brevard County is really a great place to live. She commented the Parks and Recreation and the EELs programs make Brevard County really special, they enhance the special qualities in this County that cannot be found in other places; and she asked the Board to continue to support them by not cutting their budget.

Robert Bishopric mentioned he and his wife moved here two years ago for the same reasons as a lot of other people moved here, the environment is spectacular; he goes in his back yard to see Ospreys, they go to the bar and pick up a mullet and take it back to the nest; they do not have these places elsewhere; someone else had said no one comes here to go to strip malls and it is true; the County could pave over everything and increase the tax base, they could put Taco Bells up and then who would come here; and he does not think anybody wants that either. He noted he understands how hard it is to do a budget; there is limited amounts of money, everybody understands that; he commented he could guarantee the Board, if the citizens were given the chance, they would say yes to raise taxes just a little bit to protect Parks and Recreation and the EELs programs; if the Board needs to raise taxes to fund these important programs to protect the environment then it has to have the courage to go out to its constituents and say so; and it seems to him the people who live here would not mind paying a little bit more to protect these lands. He stated he believes the vast majority of the Board's constituents would agree to that; and for the Board to budget accordingly, and then go get permission if taxes need to be raised, he would support it and he believes so would everyone else.

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Chairman Smith commented last year when the Board had constructed the wording for the referendum for the Lagoon, the polling company called several people throughout the County, read the referendum word for word, asked the people if they would be willing to support it, and the overwhelming majority said they would; his District was the highest at 66 percent; District 1 was the lowest and they were about 55 percent; the other three Districts were in between; then they read another referendum including the same wording except it added a portion of the monies to go to roads in addition to the Lagoon and it dropped an average of five percent in each District; people take roads for granted, they drive on them but it is tough to get people motivated to pay for them; and if he said the Board was going to cut money for roads this place would be empty. He went on to say if the Board was to threaten Parks and Recreation, or Libraries this place fills up; and to the point, roads are a tough sell.

Lewis Kentnik stated he is a recent immigrant here from California; he can echo a lot of what the people before him have said; when his family came to Brevard County, it was the community and beyond the community it was the natural resources that they ultimately located in unincorporated Brevard; he has been thrilled since he located here to see the community turn out for the half penny sales tax; and he thought that was a great merger of the community and the natural resource constituency to do what was said there. He continued on to say he endorses the great attraction that this community and natural resources have for him, for longtime residents, and visitors; and his thought is the environmental community may be an ally for the gas tax because he would be.

Chairman Smith commented Mr. Kentnik is not the first person to say that to him and the community may get that opportunity because the County may not be able to afford to fix the roads; just for those not familiar with the cost to fix the roads, if it cost a dollar to repave a road, it will cost five to seven dollars to rebuild a road; and put in simple terms, if there was a leak in the roof and it was not fixed at a cost of \$500 or \$600 and then five or six years down the road the roof has to be fixed it may cost \$12,000; and he explained that is where the County is going to be with the roads, it is going to hurt a whole lot more if the roads are not fixed sooner rather than later.

Stacey Patel commented she would second the support of the gas tax; she is the Chair of the local Democratic Party in Satellite Beach, which represents 128,000 voters in Brevard County; these votes, while they may not share everyone's party, they do share many common interest and goals of other brothers and sisters in other parties, and those who have no party at all; they all breathe the same air, drink the same water, live on the same beautiful stretch of earth where the earth meets the water and their dreams meet the stars; the common interest and goals can be seen when the public votes on local referendum regarding EELs or the Indian River Lagoon (IRL), both of which won broad bi-partisan support; the common interest can be seen by the overwhelmingly bi-partisan support in Brevard for the 2014 vote for Amendment 1 for water and land conservation; sadly, the State government is doing little to listen to those voters; and those common interests and goals can be seen on any given weekend, when going to the beaches, parks, or rivers where the surfers surf, the kayakers kayak, the children play, the fisherman fish, and the nature photographers wait for turtles or rare sightings of endangered birds. She went on to say before she speaks about the clarity with which Brevard residents have spoken on these issues, she wants to briefly touch on another issue that she hopes the community all shares in common too, the desire to live in a community where everyone takes care of their neighbors who, due to sickness, job loss, or other crisis, cannot make their payments for mortgages, utilities, or medication; so far the Board has approved \$168,473 reduction for the Brevard County Housing and Human Service Department's Direct Client Emergency Services Program, which represent half of their budget; this program can be essential in keeping utilities turned on, keeping people in their homes or on their medication, and it seems beyond cruel to build a budget that, in the words of Commissioner Barfield, paves roads on the backs of the poor; she asked if the Board is really going to cut that funding to fund 0.1 percent of the backlog of \$156.5

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million in road maintenance projects to resurface literally one and a half miles of the 734 miles that need to be repaired and resurfaced; and she commented if this is the Board's idea of a solution, it is patently ridiculous. She continued to say back to today's topics, public goods like the land and the water require public resources; the Board's strategy of starving the funding will likewise starve the community of public goods; and the good people of this County, Republicans, Democrats, and Libertarians are not just going to stand by and let that happen. She mentioned in 1990 and 2004, when Brevard voted for referendum to support the EEL, and more recently in 2014, when 75 percent of the community voted to support Amendment 1 to invest in water and land conservation and last year when over 62 percent voted to love the Lagoon, the people of Brevard voted for that. She stated if the Board would like to spend \$156.5 million to repair over 700 miles of Brevard's roads, then it will need to come up with a better solution than picking the pockets of the poor and the parks.

Deborah Longman-Marien stated she recently moved from Viera to Suntree; she is in a lot of environmental groups, so some of the staff have seen her before; she is a user of the parks, and enjoys the facilities; she goes bird watching a lot and this year she has been on several bird watching trips; she is definitely in support of fully funding the Parks and Recreation Department and all of its programs including EELS; and she commented that some of the users of the park, she took one of her Down Syndrome clients to a park to play bingo with his peers, in the park at the same time the softball fields were full, and the pool was active, which displays a bunch of people with different interests and with different backgrounds all using one park on one night. She went on to say that is not an EEL but it is one the Parks services and obviously there had to be staff to staff the pool, people to set up the ball parks, and staff to run the building where Bingo was being held; she noted for some of these programs the budget is so tight that some of the employees have to buy the supplies out of their own pockets to make the programs successful; she and her client have also been all over Brevard County in the parks bird watching, walking, and enjoying the outdoors; they have been to the Enchanted Forest for Earth Day and other festivals, he was always at the front of the line taking the hike, listening to the information, sniffing the leaves, and asking questions; and she mentioned this is a person using the facilities that maybe the Board does not think about. She continued to say his life is richer by getting to participate in the programs that the parks provide; she reiterated the programs have to be staffed and they have to have supplies; she has taken her client to Sam's House, which is another EEL, for festivals; they have gone to the Barrier Islands; and she noted she and her clients have used the parks, including the EEL, she has brought her family and out of town visitors to see them as well; and she asked to Board to please fully fund all of the parks, it's programs, and the EELs.

Linda Behret stated EELs needs money; she is the Chair of the EELs Procedures Committee which is why she knows this so well; the EELs program was initially approved in 1990 by a referendum of the citizens of Brevard; it's purpose is to ensure the long term preservation of the natural heritage and the biological diversity of the lands here for future generations to see and enjoy; from its inception the program intended not only to purchase, protect, and maintain these environmentally endangered lands, but also to make improvements as appropriate so that passive recreation and environmental education could take place, such as hiking and learning about the environment; and as this started to happen, the public appreciated it and the 2004 referendum was also approved by the voters to continue the funding for the land acquisitions and management for another 20 years, which would bring them up to 2024. She added each referendum set up a 20-year period where millage would be assessed on taxpayers to pay for these things; initial millage started by the 1990 referendum was at 0.25 mills, which is not too much; the 2004 referendum added another possible 0.2085 mills, which has never been levied at the full maximum rate because it was not needed at first; since the 1990 referendum money was there, it was only collected at an additional 0.176 mills; and it was thought when the 1990 referendum would sunset, then the 2004 millage could be raised so there would be more money starting in 2012, but before it could happen the State stepped in. She went on to say the budget

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has been cut and cut and cut, staff has been cut more than one-third, and budgets have been cut more than a quarter; and EELs needs a supermajority vote by this Board to approve a millage rate increase to bring back the voter approved millage of 2.086.

Christina Keshishian stated she moved to Brevard County in 1996; she had an option to go home to Maui or moving to Brevard County, and due to the opportunities and amazing access to nature, she chose Brevard County; her issue is protecting the EELs program as well as Parks and Recreation; she is a home schooling parent and she does not know if many people realize the EELs Program provides classes for hundreds of home schooling families throughout the County; and it has been a vital part of her children's science labs, they have learned about everything from the water cycle, to the Barrier Island Center, to decomposing Beetles at the Enchanted Forest. She commented these are activities home schooling families participate in regularly to help educate their children outside of the public school system; she has been paying taxes in Brevard County since 1996; however, she is not utilizing it to send her children to public schools; the services offered by the County help her do that; and some of the classes she pays a fee for and she is happy to do that, she just wants the option and the ability to provide that for her children, considering the amazing environment here. She noted anything that she can do to keep the EELs Program running to help educate the children is a benefit not only to them today, and to the burden on the taxpayers in the County, but the next 20-30 years the County will have well informed citizens who are ready to become stewards of the environment; and she stated the Physical Education and Art Programs provided throughout the County at the recreation centers are also huge opportunities that the home schooling families take advantage of.

Marge Arnold stated she is here for the special needs programs particularly; she invited everyone to a Bingo night at the park; the exuberance, the happiness, and just being there with everybody is amazing; nature night at Riverwalk Park, people sit through the slides, ask questions, and they get to do a craft afterwards; just because they are special needs, they may be slower to process information, but they do not require the expenses that others need to have a good time, like cable television, the Internet, and cell phones; to give them a Bingo night or a nature night or a day in the park to teach them, they have a wonderful time; and she would hate to see that taken away from them because they do not have a whole lot in their lives to begin with. She went on to say it all seems that the least among everyone are the ones who have everything taken from them, when it comes to money; and she asked the Board to please keep the money there for these people because they need it. She noted as far as the parks themselves, the County needs them because in 20 years if the land keeps getting developed, this place is going to be a dump like New Jersey, where she originally came from.

David Keurns stated when flying home from Ireland, they flew right over Brevard County and there was an audible gasp from people looking down about how beautiful Brevard County is; everyone knows about driving south to Martin County and Palm Beach County that things start looking bleak on Interstate 95; to pull off 95 in Fort Lauderdale and go over the hill, the ocean is no longer viewable because of the high rises; Brevard County has something unique here that he does not think should be given up; it is a legacy that was handed to the community and the community has to hand it on, it is their job; and he noted there is an intrinsic value to these things, at every moment in his life when he has been at his worst, there has been a place he could go, whether it is the Malabar Scrub area, Ponce De Leon Landing, or a park where he can re-adjust himself. He continued every valuable lesson he has ever taught his children has been at one of these places protected by the EELs Program or incepted by the EELs Program; an intrinsic value means it is not looked at in terms of widgets per hour or dollars per hour, he does not look at a chunk of land that is providing these things and ask it to give an ROI every year to be put on a balance sheet, they are of their own value, and provide recharge for the water, the aquifer, and the recharge for people's lives; and he asked the Board to please not get rid of this program.

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Melissa Martin stated when it all boils down to it, this is really about the roads, and how to get more money for them; the Board has been handed a very raw deal and decades of neglect and everyone understands that; she hopes by the end of this entire series of Workshops that the Board sees the programs that were established are good programs, it has good employees keeping their fiduciary duties to the taxpayers, and she is pretty sure that every taxpayer can be called a fiscal conservative because no one wants to waste tax money; and with that being said, she did want to come with a solution or an idea of some kind. She continued one idea she can think of, and she brings this from a military background, not only the Marine Corp as they are pretty austere fiscally and do a lot more with much less, and a lot can be learned from those policies and procedures, but also there is no local entity to receive and analyze reports of possible waste, and of course as the Board has heard before, the command and inspector general would be able to house that type of function, she is not sure what the Board wants to do here, but there should be a program where the County's hard working employees who do have the street level insight and understanding of what programs work and what programs do not work; they can bring that to the attention of someone at the County level; in that program itself the County would probably see a revenue generation machine; and if the Board does not, it can be assured that every red cent is being used to its fullest. She went on to say that is where the Board would then have to do what is necessary for the benefit of the public; she then asked for not one cent be taken from these critical programs that are Brevard County; and to please fund them to the fullest extent, because it will see the return on the investment flourish.

Diane Stees stated she is a native Floridian; the School Board closed her children's school in 2013 and two other schools stating there was not enough money; the next meeting they decided to vote on \$8 million in software that they did not really need and is not working today; she does not necessarily buy the paradigm that the County is in now; there are other solutions; and she has volunteered her time for over 20 years on the EELS Procedure Committee and serves on the Pine Island Reservation Board at Sam's House, she was a Charter Board member and as if she did not have enough to do she was voted chair of 2018 Pioneer Day. She continued she is here to support the Parks and Recreation budget; she loves the parks; she is also here to remind the Board that the people voted for the EEL referendums twice; the first time it was said, that was a primary election and it does not really count, so the second referendum was the general election and they went from 60.9 to 69 percent in 2004; and if that was thought to be a fluke, 2014 Amendment 1 was 74.2 percent. She added she is part of the high tech workforce the Board keeps attracting to Brevard County, having spent over 30 years of service in manned space flight, this workforce wants their green space; she joked by the way when the Board gets caught up on the road maintenance Elan Musk will have everyone in flying cars; she continued cutting the EEL Program will not give the County money for roads because that money does not come from the General Fund; and she asked the Board to please consider a small increase in the gas tax on the ballot. She went on to say parks and preserve not pavement.

Terry Laplante commented as she sits here listening to the arguments and she is looking at the mission statement for the Brevard County Commission. She read, "Our vision is a community which excels and is recognized for providing for the health, education, and social needs of our citizens; it calls for protecting and conserving the valuable natural resources; sustaining a strong and diverse economic base to financially support a quality life style; creating cooperative partnerships between government, the business community, organizations, and the residents; and our mission is to contribute to enhancing and ensuring Brevard's quality of life today and always." She noted that is the Board's mission statement, it is the Board's vision, and the community elected the Board to share that vision; and she hopes the Board will fully fund Parks and Recreation and the EELs Program.

Commissioner Pritchett inquired how the County supports EELS as it has been stated that EELS needs the support.

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Vanetta Valdengo, Assistant County Manager, stated by the chart there will be no funds by 2024; there will have to be some action taken; at the conclusion of 2018, they are going to have to change the way they are operating the EELs Programs because the balance forward they are spending down over the next several years; therefore, they will have to look at partnerships for the environmental centers; they will not be able to continue the educational centers like Enchanted Forest, Barrier Island, and Sam's House; and if some action is not taken in the next several years, service levels will decrease significantly.

Commissioner Pritchett asked for clarification if the support is to maintain programs and not necessarily maintaining the property itself.

Ms. Valdengo replied over time it is all going to be impacted; within the next five years, there will be a decline in operations.

Commissioner Pritchett asked if this is staff levels, or property levels.

Ms. Valdengo responded this is staff, equipment, and fire management of the lands.

Commissioner Pritchett clarified if she was saying the County is going to have to generate some type of tax revenue from the community to maintain the property that it has already been acquired through the EELs Program.

Ms. Valdengo replied affirmatively.

Commissioner Barfield inquired if that could be done with the millage.

Ms. Valdengo stated they have talked to the County Attorney's office about options.

Scott Knox, County Attorney, noted it can continue to use millage for operations as long as the bonds are still outstanding; and once the bonds are paid off in 2024, they would have to use general fund millage or have another referendum to approve over the charter cap, which is still in effect; or the other option is the critical needs option which the Board has to use.

Commissioner Tobia stated he is only doing this because, and he has not had time to go through the EELs budgets because that is not something in General Fund, however, he did visit the motor pool and he does not want to single out Fire Rescue, so he asked if EELs has purchased any cool trucks recently.

Michael Knight, EEL Program Manager, stated he is assuming Commissioner Tobia is referring to the truck he saw there, it is a Ford F250; for a number of years they have had vehicle damage to the undercarriage of those vehicles because when they disc the fire lines, the fire lines have debris which gets caught up under the vehicles and they are just not designed for that; and when the water carriers are added to the back of these trucks, it decreases that, so they have always been running on the verge of overcapacity. He added therefore this year they started by purchasing two vehicles that would have a greater clearance underneath them.

Commissioner Tobia inquired about the price of those two vehicles.

Mr. Knight replied he believes the price for the type 6 fire engine, which is a very different vehicle than the other two trucks, was roughly \$60,000; and the other vehicles were about \$39,000 each.

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Commissioner Barfield stated on the parks side, the big thing he was pushing for was to outsource the golf courses; they were in the red and the golf courses were not in too good of shape; and he inquired where they are now with those.

Chairman Smith commented they are in great shape, and Commissioner Pritchett agreed.

Mr. Wojciechowski stated when they first had the management company come in to take over the courses, there was great concern even by the Golf Advisory Board; there was a one-year anniversary meeting last month and every person on the advisory board is ecstatic that the management company onboard has increased the number of rounds played; and they have actually increased the revenues they are collecting.

Commissioner Barfield asked for clarification that they are now in the black.

Mr. Wojciechowski replied affirmatively.

Ms. Donner commented the courses actually look much better; she had gone out to all three in the last two months; and they are reinvesting in them by painting, removing dead trees, and they are vested in making sure Brevard County residents have good quality golf courses.

Commissioner Barfield stated the Department is looking at many other fees, such as paid parking, and he wanted them to know he is totally opposed to any kind of paid parking because they all pay taxes, so he thinks they need to find another way, unless he is outnumbered.

Chairman Smith stated he can sympathize with those thoughts because the taxpayers want to use the beaches and they should be able to do that; however, the other side of the coin is there are an awful lot of people who come from out of the State and out of the County that use the beaches, park in those places, and they take up places that residents cannot park in; and he asked how would they get them to pay and share the burden, unless they pay for parking.

Commissioner Isnardi stated she thinks many of those people paying the tourist tax at the hotels that is their way of contributing; unless it is a holiday or spring break, 80 percent of the vehicles at any beach she has ever been to have Florida plates; and in her opinion, most of those are residents.

Chairman Smith commented they may be Florida residents, but they may not be Brevard County residents. He went on to say he spends a lot of time in the Keys; in the Keys, they have guards that man the gates going into the parks; if someone has a local driver's license, library card, or property tax receipt then they are let in for free and if not then there is a fee; and that is what he is talking about.

Commissioner Pritchett stated there were some types of user fees and program fees mentioned; she noted if they were to give the Board some information on what types of support funds they are needing, because she knows something is going to have to be done differently; she is not thrilled with charging parking, but they have a beach in District 1 and charge \$10 a car, and that does not stop them from going; and if someone is 65 or older, \$10 gets them in all year. She added it is something to look at to generate funds to make the parks better; she would not want to utilize that from taking away from what they are doing now; she would not mind a discussion but she thinks that would have to be a case-by-case basis so the Board is not interfering with people losing public parks because they are paying for them; and she believes the concept is something to look at.

Commissioner Isnardi stated in Palm Bay, the city has taken over three parks; she found out there are no county parks within the city; a Titusville council member reached out to her and

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expressed taking over some of those parks; although she does not know if there are monies tied to it and referendum issues with it; there are other municipalities that could possibly take some of the burden off that; and she knows these cities will step up if the arrangements are right. She added they have to assume all the maintenance; she does not think they are going to close the parks; and that may free up some resources so the Board does not have to pull back services within the County.

Commissioner Barfield commented his District is working with the cities to see how they can turn over two parks to them because they want to make sure it stays current with standards.

Commissioner Isnardi noted depending on the leadership by both the County and at the municipal level, she knows before they had tried to work out a deal with Palm Bay Regional which is Fred Poppe Park to get that park because there was more he wanted to do and at the time the County was resistant; now that they finally have the park, the park is going to pay for itself in hopefully the next year or two; therefore, that will not be a maintenance burden for them; and she is not saying that is the way all municipalities will go, or if they even have large enough parks to do those kinds of things, but it is something to look into because the residents of those areas value those parks. She thinks they would not only hear it at the County, but the municipal level would hear it also; she thinks it gives them better protection to ensure they do stay open; and the County would save on maintenance and expenses.

Commissioner Pritchett inquired if some of the cities pay to have the County take care of their parks.

Ms. Valdengo stated the City of Titusville is probably the most unique arrangement because the County operates and maintains some city owned parks as well as County owned parks; there is also an MSTU in place that helps pay for that; they have started some preliminary discussions with Titusville on possible arrangements of transferring parks, but the County agrees that those parks within cities are the ones being targeted first to try and transfer; it allows them to have their own identity; and as Mr. Wojciechowski stated, there is \$23 million in unfunded capital needs, and that is why the County was unable to fully develop Palm Bay Regional. She continued Palm Bay is now working on enhancements to that park; the County is struggling with keeping their parks safe and open because of aging infrastructure right now; Viera Regional Park is a prime example where the County cannot meet the demands of the growing community for youth athletics, so there is a lot of need; and moving parks to cities helps the County better maintain what they have.

Frank Abbate, Interim County Manager, stated during the past four or five weeks, he has met with staff from Titusville; they have shared what their revenues are, what the expenses are at their parks, and he has made inquiries with them, which they are now looking at the information that staff has provided to them for the purpose of what they can do if the City wanted to take over or partner with the County in a different arrangement that what is already there, and become much more involved in the maintenance side and the recreation services side; and the most recent inquiry, they were looking at and will come back to the County once they could further evaluate because they did see the gap between the current revenues to the MSTU, and what the current expenses are with both the maintenance and the recreation side so they can see what they can make work. He commented he is hoping the city will come back with a proposal that they can bring forward.

The Board recessed at 3:50 p.m. and reconvened at 4:02 p.m.

**ITEM I.F., PRESENTATION, RE: INFORMATION TECHNOLOGY**

Jeff McKnight, Information Technology Director, stated they have 47 full time employees and one full time contractor; right now they have two vacancies; the green across the top are the team leads; this slide indicates that half his staff is other department dedicated employees, which means they work for that Department and they get departmental transfers to fund that; and the next slide shows the general County IT people in his Department for non-department dedicated work, which is about 24. He went on to say Compensation and Benefits is \$3.4 million and 42 percent of that is for the departmental transfers; they have had a significant change this year of \$806,000 due to a GIS move and consolidation in order to standardize their GIS processes; the number of employees have changed significantly; in 2009, they were undergoing spending reduction and they consolidated from other departments that had independent IT staff and they brought them into the IT Department which increased their numbers and their budget; and 2017, is when they brought in the GIS staff from other departments, which was a move, not a budget increase across the County. He continued as the skill levels of these positions increases, the gap and pay levels also increase; a couple years ago the Board approved to increase a critical position for the Department to get the salaries a lot closer, which has significantly helped them; and he noted they have lost 47 positions since 2011.

Chairman Smith inquired if those positions have not been filled.

Mr. Knight replied his Department currently has two vacancies; the reason they were not filled was because they had such a hard time keeping them filled, people would stay for less than a year. He commented the next slide is a demonstration of IT resources; this shows the bandwidth increase across the years; he explained with cameras the resolution doubles, the video cameras resolution doubles, the files get bigger, the storage gets bigger, the CPU requires more performance, and that is consistent across everything they are doing; next month is the 10 year anniversary of the iPhone; and with the expenses he is showing his department has had to overcome that and budget for it in the last 10 years. He added this slide is the budget year they are in right now; about half of it is compensation and benefits; he pointed out the maintenance cost are increasing primarily due to hardware and software now comes with maintenance cost associated with it, which means when buying software there is also hardware, it is not just buy and that is it; they want to keep the funds coming in so they add on the maintenance charge; and that is increasing on all their products and is causing them additional budget concerns. He mentioned contracts and services is also increasing due to major software projects they have been doing with applications like SAP, working with other departments, and they are limiting their resources of software development; they are talking about potentially getting a couple full time employees (FTE) in the near future; they think they can save about \$150,000 by bringing in a couple FTEs instead of contracting the work out; and communications use to be their largest line item, even bigger than compensation and benefits, and now it is a mid-level item. He went on to say their ten year expenditure history shows travel and training have been increasing lately; they have had to train a lot of employees because of the turnover; the training and travel going into the new year, that he is proposing, is going to be much less, especially the travel because there is no out of state travel coming up; and the training will be about half of what was projected for this year. He stated training will continue to be a primary concern because technology continues to increase and they have to stay ahead; if they are training their people, then they are falling behind because technology is moving on with or without them; the expenditures over the last 10 years shows \$1.2 million of consolidation of IT labor that came from the other Departments; the middle peak is where two major capital expenditures, one for storage and one for servers; and the last peak on the end is for the consolidation of the GIS labor, more recently. He continued on to talk about operating expenses; they have been continually decreasing their budget over the years; the last peak on this slide is when they moved their email to the cloud, which is one of the best things they ever did; it was a significant expense but other than that the operating expenses have been

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declining; this slide portrays a significant decrease and that is how they have been able to do some of the things they have done; they have been focusing on communication for several years to try and bring those cost down; the next slide shows \$17 million in assets; roughly half of those assets are over 11 years old and some as much as 20 years old; they have about \$1 million in equipment that they are decommissioning this year, but unfortunately that comes out of the 6 to 10 years so they still have a lot of equipment that is very old, has concerns, and is a lot of money; and at some point they will have to replace it. He stated in funding distribution, other than the departmental transfers for dedicated labor, they do not have dedicated funding for anything, it is just a consolidated bank account for them; they spend the monies the way they want to as far as anywhere in the budget, it is not dedicated anywhere; he pointed out on the revenue history that they originally had balance forwards and with the balance forward they could plan for depreciation equipment; since that is gone, they can no longer do that; and the next slide shows in 2008, they had no General Fund and now they have a little over \$2 million in the General Fund and the budget continues to go down. He went on to say they have three critical needs listed; the storage controller is \$500,000 and that is a lot of money; the controllers can be replaced and they would last for another six or seven years; the maintenance cost on these are about \$80,000 a year; they expect when the times comes to replace them the cost will be more like \$100,000 a year; there is one at the Moore Justice Center and one at the Emergency Operation Center; to replace them both at one time then they would expect to get a maintenance deal along with that for five years; that would negate the cost all together, if they still paid the \$100,000 per year maintenance cost; and they plan to keep that in the current budget so it would be no additional increase. He continued the next one is the Microsoft Office 365 Suite upgrade; they are currently on Office 10 and it is at end of life; they still support it somewhat but will be ending support soon and there will be incompatibility issues; that is not budgeted, it is just a wish list; and lastly is the Webmaster. He noted he has had several conversations with different Departments and some Commissioners about the inconsistency with some of their webpages; they have hundreds of pages and he does not have anybody with central responsibility for all of those; the Departments handle what IT recommends as a webmaster; most, even small size, corporations have webmasters; but to manage all these websites, it would be approximately \$80,000.

Commissioner Barfield asked with all the hacks with IT, what keeps him up at night and what are his biggest concerns with the system.

Mr. McKnight replied they are in pretty good shape right now as far as infrastructure that is what used to keep him up at night; those two major upgrades put them in pretty good shape; and what keeps him up now is not being able to maintain that type of infrastructure. He mentioned they can contract services out, it usually cost twice as much and he does not like it, so he would like to get some FTE in there to do some of those jobs; but what keeps him up is reliability and making sure that everything is running.

Commissioner Barfield inquired if there was anything that someone outside could get in and do damage not just from operation assistance but from data or anything else.

Mr. McKnight stated they have changed the way they do security recently, within the last year; previously they had one central person in charge of security and it was not working as well as they would have liked, so they organized a team and partnered with RSM who do security audits for them every quarter; and they are finding the weaknesses and the security team implements the repairs to make sure they reduce those vulnerability systems to something he can accept.

Frank Abbate, Interim County Manager, stated what was in the presentation in the rise in expenditures and the rise in staffing was a corresponding decrease in the other Departments; it was a consolidation so it looked like the County was putting significantly more dollars in the IT

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Program, the County is not; and while there was significant turnover from 2011, 40 plus, in the last two years there has been virtually no turnovers so this Department has become a model for the County and they are looking to emulate in other Departments where there are stem tight positions, science, technology, engineering, and math positions. He explained what they did during that turnover time was they went to the outside and started using consulting services, those services were costing the County twice as much, so they were able to come to Board, and the Board were willing to let them bring in the senior system analyst at a competitive salary, where they saved money moving forward. He stated he is hoping this is a good model to build on as they move forward.

Chairman Smith commended Mr. McKnight; he noted when Mr. McKnight's predecessor came to the Commissioners and told them the nightmares of hiring from outside agencies for more than twice what it would cost, the Commissioner's decided to start hiring people at better salaries; they started saving a lot of money; and he is happy that things are now working out for the Department and that it is a model for the rest of the County.

Mr. McKnight explained they have been pretty consistent for the past year; if he would have been able to give his presentation before, he could have said they had zero vacancies; however, in a little over a week they now have two vacancies.

Commissioner Isnardi commented it was her who was complaining about the website; she thinks it is very busy but user friendly; it is just that each department has a territory issue where they want to get all their information on there and it is really convoluted; she does not know how to fund a webmaster, but that is the face of the County; and when someone goes there and sees 80 options on the home page, she thinks that is a little much. She went on to say it is easy for her to go in and pull things, but not for others; that webpage handles all Departments and what the County does as a government; and she thought maybe they could draw from every Department to pay for that position. She went on to say it would just be a budget shift, and if every Department contributes a little they could afford the webmaster. She reiterated it is the face of the County; to go to other cities websites it is obvious what she is talking about; and as far as developers, contractors, and otherwise, it is user friendly enough to search; but it could be better, a lot better. She went on to say she cannot image having as many Departments as the County has, to be told to add this, add that, and Commissioners have their own pages; and if they had a webmaster, everybody could yell at him.

Mr. McKnight stated unfortunately a lot of that work does end up on Lois Boisseau specifically; she is the Assistant Department Director and does not have time to do that.

Commissioner Isnardi remarked some of the stuff is old; it is not Mr. McKnight's fault, it just was not updated from the Department; and she thinks the webmaster would take care of that.

Mr. McKnight explained they are a customer service and do not say no ever, they just get it done.

Commissioner Isnardi stated his Department has helped her many times; she is not looking to ask the Commission for an increase while it is trying to make cuts; however, shifting things around to fund that position is a thought.

#### **ITEM I.G., PRESENTATION, RE: PUBLIC WORKS**

Andrew Holmes, Interim Public Works Director, stated he is going to talk about road inventory, the life cycle of roads, resurfacing, at-risk roads, a possible work program, reconstruction, construction projects, and trends and issues; the road inventory broken down by District shows there are 1,113 miles and it increases by a few miles per year that developers or the County

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construct; each District has over 100 miles of road, some have more some have less; and the percentages as the totals is important to note. He continued this slide is a diagram of the roadway life cycle or deterioration curve; the PCI is the Pavement Condition Index, which gives engineers the indication of how good a road is and when it will likely need some major work; the blue area is the good roads, and they only do routine maintenance which is relatively economical and periodical; they do mowing and fix a little bit of damage, but no major efforts are required and no major expenditures are required to maintain those roads; they have 380 miles out of the 1,100 mile inventory that is in that category; the next area is roads where resurfacing is required or that would normally be scheduled but they are not critical or about to slip into the failed category; and those roads should ideally would be the ones scheduled for resurfacing, but it is not an emergency. He added the orange area has 400 miles and is the area they consider to be at risk for slipping into the red zone, or reconstruction zone; what makes that important is, the red zone cost goes up by a factor of five; if they can catch those roads in the orange area, before they slip into the red, they could save a lot of money; it cost on average \$500,000 to \$600,000 per mile to reconstruct a road in the red, where in the orange zone it costs about \$100,000 to \$150,000 per mile depending on the type of road and the number of lanes; and it is in the County's best interest to fix them before they move to red. He pointed out there are 400 miles in the critical category at a resurfacing rate of 55 miles per year, which is approximately seven years' worth of work; and it is believed that those roads will slip into the red in one to five years.

Chairman Smith commented that is a good point; he remembers John Denninghoff, Interim Assistant County Manager, telling him that several months ago and former County Manager, Stockton Whitten, speaking about it a few weeks back; he inquired if the County gets to the 55 miles per year if the red zone would not increase; he thought that was not correct; however, Mr. Whitten backed him up on it.

Commissioner Pritchett stated if the County were to move those funds around it has the ability to do all those roads within the first two years and utilize the funds down the way; and there is a possibility it could manipulate this event and do all the work up front in the first year or two.

Chairman Smith inquired if that would keep the orange roads from slipping into the red.

Mr. Homes stated he does not think it will keep all of them out of the red.

Chairman Smith stated the key is the County is going to have to come up with more funding.

Frank Abbate, Interim County Manager, stated everyone needs to understand this is only an aspect of the multi-pronged aspect; they are only talking about doing the best that they can to keep roads from going into the reconstruction; that is really where their primary focus has been; where the money comes from for reconstructing that 145 miles of roads has not been addressed; nor has the issue of capacity been addressed. He continued there have been significant discussions on making sure they are doing everything they can to ensure they do not trip beyond the 145 miles and the \$86 million that is currently in reconstruction; that they do all they can do with the available resources they have to ensure that does not happen; and Public Works has already been sending staff out to look the 400 miles area and the 145 miles area to make sure it is an accurate presentation that, that much is really in reconstruction. He noted while it is not a 100 percent guarantee, because no one knows what is going to happen in the next year or two, they are working very diligently to ensure they do all that is needed because their goal and what they came to the Board with was to alleviate the very significant growing concern of spending a lot more money to let it go into reconstruction when it can be prevented.

John Denninghoff, Interim Assistant County Manager, stated what he had said in previous Workshops was that the 55 mile approach is designed to prevent the total backlog from

growing, that is both resurfacing and reconstruction; what is does not do is ensure the reconstruction cannot grow; there are enough roads in that 400 miles that they may not be able to stop them all; as Mr. Abbate said, they will do everything they can to stop them, but it is going to take an approach that is both creative and innovative; and it is going to ultimately take additional funds.

Mr. Holmes continued on to say this is a breakdown of the total resurfacing miles, the 400 plus the 189, broken down by District; the percentage of resurfacing in each District is not the percentage of the road inventory percentage in each District; the next slides shows the at risk resurfacing miles broken down by District; each District has a different percentage of the resurfacing miles; and this does include the 400 miles that is in danger of slipping in reconstruction if they do not get to it pretty quickly. He added the next slide compares the at risk of reconstruction with the percent of all resurfacing, with the percent of total inventory in each District; a couple of the Districts have very diverse numbers between the at risk and the total inventory; normally if all roads were being maintained consistently and they were not going to fall into reconstruction, the funding would match the total inventory; and he read the numbers, for District 1 it is 34 percent, for District 2 it is 23 percent, for District 3 it is 10 percent, for District 4 it is 20 percent, and for District 5 it is 13 percent. He went on to say, since the County has critical needs that are different from that, they have come up with a work plan that tries to address the critical needs first and then transition to a situation where the funding matches the road inventory for each District; year one of that five-year plan, the percent spent on the roads would equal the critical needs for each District; 24 percent for District 1, 21 percent for District 2, and so on; he noted there are 55 miles of resurfacing completed for the \$6.03 million total; each year beyond that gets a little closer to the inventory percentage for each District, for this one District 1 gets a little more and the other Districts are adjusted accordingly; District 3 happens to have 10 percent all the way across; and in year two 55 miles are completed. He stated there is another 55 miles in year three completed and the percentages are a little bit closer to the inventory number; year four is a similar situation with 55 miles completed and the percentages get very close to the inventory numbers; in year five the funding gets increased to \$6.9 million with 64 miles of roadway resurfaced; this is where it starts reducing the backlog and all of the funding numbers are exactly equal to the percent of roads in each District; and the summary slide shows the miles resurfaced in each District, it was 55 miles each year for four year, 64 miles in year five, and a total of 284 miles for the five years. He mentioned that would make a significant dent in the 400 miles, but it does not take care of the entire 400 miles of at-risk roads; Mr. Denninghoff is going to talk about some reconstruction, some critical needs, and other Departmental issues.

Mr. Denninghoff noted the reason they stopped at year five is because that is what was presented to the Board previously; the funding sources would continue after that five years unless the Board alters it; if it gets altered they would have to adjust the plan; one of things they covered is the resurfacing backlog, this plan does not really take it down, what it does is stops the overall growth; it barely starts to address the backlog right at the end of the five-year time; it does not really address the reconstruction backlog; it will slow its growth dramatically and in fact, depending on the calculations, they added 21 miles worth of resurfacing each year; and when figuring out the \$440,000 saved in reconstruction money for those 21 miles, that is over \$9 million a year over the five years; and that is an excess of \$41 million saved in comparison to what they were doing. He added they do not actually take down the backlog that exists; they have not really talked about drainage needs; they have been able to address most of the drainage replacement needs in the County with available resources; however there have been some notable exceptions to that; they have had to dip into reserves or previously allocated funds which had become available to resolve; the metal pipes in the County are just old, corroded, and it was an unfortunate decision they were used, but that is where they are now; and they have a number of roadside issues, including sidewalks, traffic signals, and capacity needs. He stated the reconstruction backlog slide is a representation of what they have on a per

District basis for the 145 miles; it has the total percentage in each case; they had an estimate of \$86.8 million to address the backlog; and although this has not been addressed, they have made some efforts to address the reconstruction of roads. He continued this slide shows roads that should be reconstructed and have been partially funded; he intentionally put North Babcock Street because it is notable in a variety of ways, one of which is City of Melbourne offered to take the road if the County fixes it; that would be a recurring return on investment in maintenance costs going forward; the middle number column is the total estimated cost right now that it would take to fix these roads; the column on the right displays the shortfall; and if that were addressed they could move forward with that project. He added North Babcock is probably the most economically severe impact because there are almost 30,000 vehicles a day going through the heart of Melbourne; the slide represents about 18 miles of roads out of the 145; the next slide is a partial list of the unfunded reconstruction roads; they did not list individual roads and it is incomplete; the combination of the previous slide and this slide adds up to about 41 miles of road out of the 145; and this just gives the Board an idea of what they have and the magnitude of what they have to deal with. He went on to say it is clearly pretty serious and every Commission District is impacted; he then went to the trends and issues slide; they have been having severe employee issues and it is occurring on both ends of the spectrum stem; they are also getting it on the blue collar side as has been talked about by other Departments; currently they are experiencing a vacancy rate that is double what they have seen on average from the previous four years; the lack of competitive salaries is really at the heart of this turnover; and for technology, they have been addressing a lot of efficiency needs and effectiveness issues by the use of technology. He continued to say that technology is saving the day for them; and it makes them more responsive to the citizens, their needs, and their safety. He mentioned there are current estimated capacity that is needed on the big list of almost \$600 million; \$389 million is associated with capacity improvements; the barrel slide has had a couple adjustments made to it since the last Workshop; the left hand side is what they are doing, and he has included the 55 mile plan for the next five years, in that; at this point they are doing pretty well with the road resurfacing, however they use to show unfunded additional recurring needs but with the 55 mile plan they no longer have that barrel; it leaves \$2 million a year that still needs to be addressed for sidewalks, traffic signal issues, etc.; the right hand side has not been changed; the two barrels include maintenance needs, and the capacity improvements; the maintenance not including the capacity has a total of \$16.9 million; he pointed out they had made a very important step with the 55 mile plan, but there is still a lot more to go with the reconstruction and other needs; and he reiterated the capacity is not included in that number, the only thing funding any capacity improvements at this point in terms of new revenue is impact fees and they will not address those needs over any sustained period of time.

Commissioner Barfield commented several people have talked about the gas tax; he inquired if the additional gas tax went, how much projected revenue would that be a year.

Mr. Denninghoff stated he has an item he can pass around, and to answer his question the Local Option Gas Tax (LOGT) that is available to be implemented is comprised of two different elements; there is a five cent LOGT that is referred to by the State Revenue Department as the one through five Local Option and then there is what they refer to as the ninth cent; the ninth cent is actually a fuel tax that is implemented on both diesel and gasoline; the State by statute has already implemented the diesel portion of it, but they leave the gasoline portion to the local counties to implement or not, whatever they see fit; and for Brevard County there is a dollar figure of \$2.5 million. He continued that represents the unrealized revenue from the ninth cent; that ninth cent is important to recognize that it is not shared with the cities, if the County chooses to implement it, 100 percent goes to the County; it has the same limitations on it as any of the LOGTs do in terms of approvable and acceptable uses; the one through five local option fuel tax; the five pennies shows an \$11.745 million which is full estimated revenue for all five pennies; that one is different than the ninth cent as they will by statute have to be shared with the cities, if implemented, either by statutory requirement of local agreement; and if there is no

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interlocal agreement it will fall to the statute. He stated he believes right now that would give the County 42 percent of that, and the cities would get 58 percent of it; the current interlocal agreement gives the County 47 percent and the cities get 53 percent, which is divided amongst each of cities; those are the LOGTs that could be implemented either by referendum or by a supermajority vote by the Board of County Commissioners, and the Board does not have to implement all five pennies, it could choose any number from one through five; and the ninth cent could be done as a separate matter. He noted they can be implemented by local ordinance; they have to be implemented prior to July 1, in order to start receiving revenue by the following January 1; and if it is after July 1, it falls to the following January.

Commissioner Pritchett inquired if the Board decided to do this after break then the funds would not come until January 2019.

Mr. Denninghoff replied affirmatively. He stated it is impossible to implement an ordinance to do this before July 1, at this point; it would have to be recorded with the Secretary of the State before July 1.

Commissioner Barfield asked if the board opted for the ninth cent and the one through five options if the County would receive approximately \$7.45 million.

Mr. Denninghoff responded that is approximately correct.

Chairman Smith inquired if that would give them the money need to keep them from going under.

Mr. Denninghoff explained if they had those revenues they would choke off the growth of the reconstruction and they could start taking down the reconstruction; that is still less than what is necessary to bring it down in a 15 year period of time; to take down the reconstruction he thinks they need \$13 million annually for 15 years; however given the choice to take \$7 million and solving a whole lot of problems, or not solving a lot of those problems, he would be very happy to have that. He continued to stop the growth of that reconstruction is, in his mind, the very next step that needs to be taken because if they do not it will keep eating away at them; if it does not grow then they will deal with it as soon as they can; and he would be excited about that, if they could get it done.

Chairman Smith stated that was the fear he was trying to get across; the \$6 million they could budget now moving forward will not solve the problem.

Mr. Denninghoff stated that is correct; he thinks there is a way for them to structure a way to choke it off for an intermediate period of time; they could accelerate the rate at which they spend the five-year plan and it would choke it off for a couple of years where it would not grow; but then \$1.5 million a year of that five-year plan was a distribution of \$6 million of available revenue to be allocated; they were going for the 55 miles so they divided it by the years available, in this case by four, because they were going to have bonds debt service completely eliminated by year five, and that would replace it; however in the end if they accelerate the \$6 million and move it up to two years instead of four years they could choke it off for a couple of years and it would buy time to address it later, but he would not want anybody to think they had addressed it, because it will just buy them time.

Commissioner Barfield commented he really likes the plan for the 55 miles; and he inquired if the Board has to vote on that.

Mr. Abbate stated the Board has not voted on this specific plan, but they have authorized this morning the potential internal loan if they need it, for the stave off of some of this.

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Commissioner Barfield inquired if on October 1, the County would start paving roads.

Mr. Denninghoff replied their plan is to get started as soon as the Board tells them too.

Commissioner Pritchett commented she is good with this because she thinks it is the best thing for the County; overall saving money and not bringing it into the bottom bucket; she thinks District 1 is going to take a hit on this but she is okay with that because she believes it is the best thing for the County; and she noted in 2011, they took a lot of those funds and dumped them on the roads in that District instead of on other things.

Commissioner Tobia stated he is always skeptical when he sees things broken down by District; he inquired when Mr. Denninghoff made these decisions if they were based on the percentage of roads in every District or if he made them on the first chart where he wanted to keep as many roads out of the red as possible.

Mr. Denninghoff stated he shares Commissioner Tobia's skepticism and he would share that if he did not know what he knows; there are so many roads at risk that he assured him they could almost spend all the money in one District or any District in any year and they would not have wasted one penny; he has no qualms about needing the money; and distribution is more about acknowledgement of where the tax revenue comes from and the taxpayers will be benefitted by the efforts.

Commissioner Tobia asked if there were so many borderline red that they have spread it out evenly amongst the Districts.

Mr. Denninghoff responded affirmatively; he stated he thinks honestly after the last Workshop he was concerned that he was not going to be able to come up with something to make all the Commissioners happy, or reasonably happy; and in this particular case, while looking at the numbers, his concern about that completely evaporated because he was certain the situation was so bad in every District.

Commissioner Pritchett commented had he not done that, she has 34 percent of the roads and 35 percent of the population, so she has the highest amount of unincorporated taxpayers in her District that pay into this; she does understand if he does not hit the roads specified the costs will be great on the County; and she is good with the chart moving forward because she thinks in the long run it is good for the County.

Chairman Smith inquired what the Department wants from the Board.

Mr. Abbate commented if the Board wanted to make a motion.

Chairman Smith announced the Board does not have a magic wand so ask for what is reasonable.

Mr. Abbate continued on to say if the Board approves the proposed plan and give them the latitude, which would be to make any necessary adjustments that if they have to hit a different road other than what is shown because they want to save it from going into reconstruction while Mr. Denninghoff does the further analysis, they will try to match the plan as much as they can; if the Board were to make a motion to that then Mr. Denninghoff will have his marching orders.

Mr. Denninghoff explained the \$6 million is money in the bank right now, not future revenues; all the rest of the money is future revenues; the \$1.5 million could be moved up, it is a significant shot in the arm, but he thinks they could choke off the growth for a couple years of the

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reconstruction; however after that, if they are going to keep it choked off and address the future realistically they will have to have more funds.

Commissioner Pritchett noted she was planning, when the Board returns from break in July, on discussing some of this even if they did not bite off all of the cents, and only did the ninth cent, which is one penny the County would have an additional \$2.5 million every year to start working on the reconstruction roads; she suggested the Board think about that during its time off; she does not think a penny is going to bother the citizens a whole bunch; and she thinks the County has to get some type of alternative revenue source into effect.

Chairman Smith interrupted to ask where that penny would come from.

Mr. Denninghoff explained the ninth cent is the local option of the ninth cent fuel tax that is under the control of the County.

Chairman Smith inquired where that penny goes right now.

Mr. Denninghoff explained it is not being collected yet so it is staying in the pockets of the people who buy gasoline.

Commissioner Pritchett announced that is just one penny that could be put in to helping roads.

Chairman Smith responded if the environmental people get up and start knocking on doors selling the idea that the County needs another five or six cents of gas tax.

Mr. Denninghoff stated that just depends on how fast the Board wants to take down the reconstruction and the rest of the backlog. He noted Orange County has money falling out of their pockets; comparatively speaking, they operate barely in the yellow and they move their roads back up into the blue; they just do resurfacing and on occasion they will have a bad road and have to do a reconstruction project on it, but it is just because resurfacing will not work on that road for a reason; Orange County does not have the same issues as Brevard County because they have the revenue stream to support it; he is envious every time he drives over there, wishing Brevard County could do that; the most economical way to take care of the roads is to put them on an aggressive resurfacing cycle that keeps them in excellent condition, where people will have very little in car repairs, very few safety issues will arise, and quality of life is a little better; however, that is something that is out of this County's reach.

Chairman Smith inquired if the Board needs to make a motion now for the \$6 million.

Mr. Denninghoff explained the plan they have and with the flexibility to accelerate up that \$1.5 million and to potentially borrow some of the funds.

Mr. Abbate commented he already has that ability.

Mr. Denninghoff continued he already has the ability to borrow the funds; between those three things he thinks they can do a lot of good; however, he just does not want people to think they have solved the problems.

Chairman Smith commented that is what he was trying to get across several weeks ago.

Janice Gregory stated the County needs to raise taxes; she is a homeowner and that may be an odd thing to say, but she thinks the County needs to raise taxes; that includes getting rid of the cap on the ad valorem tax or whatever it needs to do; the County needs to do this to maintain the quality of life that the citizens have come to expect here in Brevard County; she had the

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privilege of attending the Citizen's Academy that is put on by the Florida University Extension Services and it was phenomenal; Directors of most of the various Departments came and explained what they did, presented their budgets, they visited the jail, rode the bus, but the bottom line is there is just not enough money in the budget to maintain. She continued everything is just going to keep falling apart, there is not enough money to take care of the buildings, the roads, and all of that; everyone needs to look at this as an investment, because things have not been paid for as they need to be paid for; and she reiterated one last time that the County needs to raise taxes.

Commissioner Isnardi suggested if they are looking at doing so many miles in each District that maybe they could sit down with each Commissioner for an hour or two and explain what roads they can do because if those roads are in the same condition them maybe the Commissioner can give input on what roads should be done first.

Mr. Denninghoff responded they would be happy to sit down with the Commissioners to go over whatever list is generated; sometimes there are options, there are plenty of roads to be fixed now.

Commissioner Isnardi explained that was what she meant; if there are 25 or 30 miles in the same condition, she would like to say these are by the schools, or these are the ones that need to be done first.

Mr. Denninghoff replied they would be able to do that.

Commissioner Isnardi stated she is okay with the numbers.

Mr. Abbate pointed out when they meet individually, they have tried to keep this as simple as possible; there are different costs as Mr. Holmes stated, the arterial roads cost more, the side roads cost less, therefore there is some flexibility in those numbers; and it depends on the needs of each individual District, because it is given just as an average of those types of roads.

Mr. Denninghoff stated the actual numbers, these are planning level types; when they get down to actual roadways then there will be different kinds of numbers; and they will see variations in the results as some roads will be less expensive and some more expensive. He added they have been working on Wickham Road for a very long time and it is the most expensive kind of road to be resurfacing; roads without any curbs, gutters, manholes, or drainage pipes under it will be the least expensive; the differences will be quite dramatic; and he reiterated there will be variations within each District based on the needs of each District.

Commissioner Barfield commented he understands that it makes sense to group them as well.

Mr. Denninghoff concurred. He stated there will be some inefficiencies in that they will have a geographic area where they will have a group of project roads and they will hit every one that is needed; there may be an orphaned road in there, in which if they left it they would have to come back in five years to fix that one by itself; the price structure on the asphalt they put down, if they feel it is a small enough project, it will cost up to five times more to just resurface, so that makes good sense to do that one while they are in the area; therefore, there will be a little lost efficiency in roads being taken care of, however, it will pay dividends later on.

Commissioner Tobia stated he is not sure if he can do this, but he is the lowest one on the list with 4.8 miles and his roads are not as heavily driven as some of those in Chairman Smith's District or Commissioner Isnardi's District; the people of District 3 do not exclusively stay in District 3, he is not proffering all this, but if the impact is going to be how many cars are on these roads and if they are all bad and Mr. Denninghoff finds that the roads in County Commission

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District 3 could be better spent, i.e. more cars on Chairman Smith's roads, then that would be, certainly with his 4.8 miles, if it is in his purview, he would like to see, Babcock is so heavily driven compared to the ones in his District, if there is a way to get an analysis based on how many actual cars are on that road.

Mr. Denninghoff responded the Department can do that. He commented it would be labor intensive to do it for everything; it is much easier to separate it into collector and arterial roads; those tend to have more vehicles driving on them, it benefits more people in terms of condition of that road, and they also have a shorter cycle life on average than local and residential roads; and what the Board will see them do is segregate the two categories and approach it with the ones they think are the right ones to do. He continued it is going to be prudent for them to take care of those arterial and collector roads preferentially because the consequences of that effect more people and is more costly to reconstruct; and everything gets magnified with them.

Commissioner Tobia commented he will not be disappointed if in year one, zero miles in County Commission District 3 are paved; he would like to see the roads that have the highest usage be focused on first; he is not donating anyone else's miles he is just stating his 4.8 that were allocated in his District; and if Mr. Denninghoff can find where it can be used best, he would appreciate him focus the 4.8 miles on those roads.

Commissioner Pritchett explained she thinks they are just talking about the resurfacing ones; and if Commissioner Tobia's District was not resurfaced then it has a potential of falling into reconstruction.

Commissioner Tobia stated there are so many roads that are like that, and that is the issue. He explained what Mr. Denninghoff is saying is that there are so many roads in that condition.

Mr. Denninghoff stated they have not thought it through with the flexibility of moving that \$1.5 million up in years, that share of the \$6 million, so they will have to roll up their sleeves and think about it for a while; and maybe they can come back with a different emphasis that will choke off the reconstruction as much as they can. He added he thinks they can do it pretty successfully for a couple years; however after that it will get pretty shaky.

Mr. Abbate stated he thinks the direction and request is clear; and inquired if Mr. Denninghoff can proceed accordingly.

Commissioner Tobia inquired how big of a deal it is that he was unaware of the City of Melbourne was willing to take over North Babcock; he asked if that is a huge financial savings, if the County were to extend those resources in order to get that back and then turn it over, or is that something that the County would not realize for years.

Mr. Denninghoff stated it would be a delayed benefit; if they do not rebuild it and then give it to them, then they wait a little while and decide they do not want to take it, then it would be a 15-year cycle for that road; and 15 years after it is given to them they are going to be faced with having to deal with that road; hopefully they would do it before it gets in the shape it is in now, because it is one of the worst roads. He went on to say it would be nice to get it done because he would get a few less phone calls.

Commissioner Isnardi commented the City of Melbourne Council took official action agreeing to take over the road. She stated there is the airport authority, and all those businesses down there; she is not trying to sell it, it is important to note, because she is not moving this half a million dollars from here, it would take the Board to have to take it; she does not like the idea of it sitting there either because they are not doing anything with it; there is over a million dollars in dedicated funding and she knows Aurora Road is terrible and they only need \$600,000 more to

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fix that problem. She continued to say the Board needs to do something with the half a million sitting there.

Chairman Smith replied when he had the Mayor and The City Manager in his office a few months ago and he made that proposal, the Mayor was skeptical at first; they convinced him that the road would be up to standards; and they took it back to their City Council and voted on it. He added they sent him a letter and acknowledged the fact that if the County refinished the road they would be happy to take it over; the County will not see a savings on that for 15 to 20 years because that is when it is going to need to be repaired again, and that would be the County's problem, if the City did not take it over; and just for the record, he commented they do not have to come to him, he will defer to their judgment, so whatever roads they think need to be fixed in his District, just go ahead and fix them.

Commissioner Isnardi commented her point was just roads that are in equal shape, she may be able to offer some insight or some needs. She stated there is an instant economic impact by doing Babcock as well; and that cannot be understated.

The Board approved the proposed draft plan that was presented to the Board; and directed staff to use the \$6 million previously approved on April 11, 2017, and the internal loan potential approved at the regular session Board meeting on May 23, 2017, with the flexibility to accelerate road resurfacing as needed, to pursue resurfacing of roads with the goal of minimizing the miles of roadways that deteriorate to the point of requiring reconstruction.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Jim Barfield, Commissioner District 2
<b>SECONDER:</b>	Rita Pritchett, Vice Chairwoman/Commissioner District 1
<b>AYES:</b>	Pritchett, Barfield, Tobia, Smith, Isnardi

#### **ITEM I.H., PRESENTATION, RE: HUMAN RESOURCES**

Jerry Visco, Human Resources Director, stated is made up of four sections, Employee Relations, Personnel Technical Services, Risk Management, and Employee Benefits; at this morning's Board meeting the Board authorized a Workshop for Group Health Insurance for July 13, that is when he will spend a great deal more time talking about dollars in his budget; 70 percent of the dollars in his budget are in group health; and the bulk of the conversation he needs to have where his budget dollars are, will be during that Workshop. He continued they are a \$113 million budget; the bulk of the operating revenues for Human Resources is coming from charges for services; they are an internal services fund department; the revenues he generates are coming from other Departments, mostly in the form of the premiums the County charges for various insurance programs they put out on the street; their non-operating revenues are balance forward, which is his reserve carry over from year to year, and their General Fund distributions; their operating expenses are almost exclusively the premiums they pay from insurances outside the organization and the claims payments they make under various self-insured programs; and compensation and benefits makes up a relatively small portion of the operating expenses and the non-operating expenses are all his reserves. He went on to say it is the reserves in the group health plan, and it is the reserves for the property casualty insurance program; on the revenue side the miscellaneous revenues are interest they earned from rebates, reimbursements they get in recoveries on their insurance programs; the bulk of their money is in the operating side is the charges for services, \$9 million for risk management, \$52 million in employee benefits, premiums they take into the organization; only six-tenths of one percent of his total budget comes from the General Fund; the balance forward is where most of

his reserve monies are coming from; on the expense side of the equation, compensation and benefits is about 1.6 percent of his total budget; 62 percent of his budget is operating expenses which is paying the claims and premiums; and then 36 percent of his budget is in reserves. He went on to say what he wants people to take away from the Budget roll ups slide is the General Fund primarily supports compensation and benefits for employee relations and personal technical services; the risk management and employee benefits funding through the inner-department fund transfers and that balance forward captures his reserve history and carry over from year to year; employer relations is very little in operating expenses, its charges for services, which are charges employee relations gets for training provided to outside agencies like the municipalities, who participate in several of their training classes; the General Fund primarily supports the employee relations operations; the operating expenses in the compensation and benefits arena, include about \$169,000 for compensation and benefits with the employee relations staff; for technical services there is very little coming out of operating revenues, public records, fees for copying, and those types of things; and the balance of the General Fund distribution to his organization is the non-operating expenses for personal technical services and like employee relations, it is primarily covering compensation and benefits. He continued on to say Risk Management on the other hand, department service transfers are about \$8.8 million in premiums that make up the \$9.3 million in operating revenue; reimbursements, recovery, and interest makes up the balance; the balance forward is the carry over reserves from year to year; expenses, claims, premiums, administrative expenses is about \$6.6 million in risk management property casualty claims paid out every year and the premium component is about \$3.3 million; there is about \$1.5 million in administrative expenses, that is where the TPA fees, broker fees, and other professional services; and property casualty has an actuary report done every year on this program, what the actuary does is takes, all their known claims, runs them through the models, comes up with what they believe the cost of those claims will be over the life expectancy of that claim, and reduces that dollar to the present day value as if he were to invest the money today it is what they would need to pay off the claim over its lifetime. He stated add to that the cost of the insurance programs, the cost of the premiums they pay, the cost of programs administration, and their professional services; together those two numbers equate to what the actuary would say is the recommended minimum funding requirements; they think they would need about \$ 11.4 million in funding; the last column shows what they have actually budgeted and that they have actually underfunded based on the actuary recommendation not just this year but for the six previous budget years; the way they function when underfunded to that degree is they are able to do is balance out good claim years and bad claim years within their program, Workman's Compensation, property, auto, general, liability, and catastrophic claim margin; they are not all getting hit in any one year; and what they have been able to do in any one year over the course of those years is balance the good years and bad years in individual lines and they have been able to maintain a very constant or stable reserve fund in property casualty, there is \$20.6 million in reserve. He noted they measure that against a confidence level, it is an actuary assumption of how much confidence they have in the County's ability to pay their bills; with a confidence level of 70 percent with an actuary says is that in seven out of 10 years there are sufficient funds to pay the bills; actuary standard is 55 percent; over the last six years, by maintaining the funding level they have been maintaining, their confidence level is only fluctuating between 70 and 75 percent; and by holding their revenue stream fairly flat, balancing out good claim years and bad claim years, managing their old claims first, closing those out, and reducing the reserves they have been able to maintain a fairly consistent reserve balance, that is fairly healthy.

Frank Abbate, Interim County Manager, stated in the Risk Management Program, especially for Property and Casualty, they have always been rather conservative; when he first came to the County in the early 1990's they were actually at a 90 percent confidence level with 20 percent contingency, which meant they were extremely well funded; that has deteriorated over the years because the need was there to do that; at 70 percent it is actuarially accepted at 55 percent; they have been able to keep it at the 70-75 percent range; and that

is why, while the actuary says they need 11.9, they have been confident coming back to the Board every year that they can continue doing what they are doing without raising the premiums in either Worker's Compensation, Property, Auto, or Liability for the last several years. He added the \$2.75 million is what they had talked about early; if the Board really needed money for Solid Waste for what they need to have in reserves and what would happen if they were to run out if they do not put \$4 million instead of \$3 million, that is what they have, Catastrophic claim margin that the Board, if they needed to, would have the ability to draw from that, in that type of scenario.

Mr. Visco stated when Mr. Abbate is not committing his catastrophic reserve he is holding on to it for property insurance claims for hurricane season. He continued on that for employee benefits, that is where the big dollars are and why they have a separate workshop to talk about employee benefits and the group health plan; \$57 million in operating revenues, with \$52 million coming in the form of premiums; that is the employer contribution and employee premiums; reimbursements and interest make up a relatively small portion of that, although over the years they have done pretty well getting reimbursements from the Federal Government for retiree drug subsidies and early retiree programs; all those programs have now wrapped up and they are pretty much on their own getting additional subsidies from them; the balance forward, at the time they were doing the budget in 2016, was \$29 million; total revenues was \$81.7 million against a similar number of expenses; \$60.3 million in operating expenses, \$55 million of that is straight claims; and that is the cost of health care. He added that is just paying the bills as they come in from the workforce. He went on to say the premiums amount to about \$1.3 million and \$3.2 in administrative expenses; group health financials take a little deeper dive; the results from a second actuary report completed in March of this year for the calendar year that ended 2016; a calendar year for them is a plan year; what has been shown so far from the numbers budgeted are 2016/2017 numbers; and these are his actuals and actuarial projections for the plan years, so the numbers are slightly different. He explained Calendar Year expenses, annual plan revenues versus expenses, show they had a good year in 2016; they put \$8.3 million back into the reserve fund; that will be explained in the Insurance Workshop how that occurs; this is the result of 2015 plan design changes, premium increase, and a drop off in utilization, they do not have the large catastrophic claims they had seen in the previous years; for them it was the perfect storm and they were able to generate some significant revenue over expenses which pushed numbers into their reserves; and by State Statute they are required to have \$10.9 million in their reserves, which is their 60 days' worth of claims plus an incurred but not reported on IBNR number, which is supposed to help pay off their claims if they were to stop operations today, they would be able to fulfill all of their obligations. He commented GASB 45 Liability is a liability for the post-employment benefits for the retiree health insurance coverage based on a third actuary report; it was estimated their liability for retirement benefits at the end of 2016 was \$18.9 million; the total reserves on hand at the end of that plan year was \$31.1 million which is sufficient to cover both the GASB and the required reserve obligations; the medical trend, the actuary used at that point in time was 6.2 percent; that helps roll into the projections for 2017 and this slide shows the numbers; and if they were to change nothing in their plan design and in their revenues they would anticipate an additional \$4.7 million in revenue over expenses in this plan year. He noted the required reserve numbers and the GASB Liability would also increase; they would project that by the end of 2017 they will have \$35 million plus in their reserve account, with a 7.3 medical trend based on the actuary assumptions; their current trend right now is they are running a six percent trend using a 12 month look back; 12 months gives them a really nice snapshot of what is happening to them in their most immediate history; and the six percent trend is a little misleading. He continued the

medical trend running at 15 percent is a little frightening; it tells them they are getting back into their old utilization habits where last year their utilization was way down, this year they are up 15 percent from then; people are going back and getting the care they may have been avoiding for a couple of years; they see this trend quite often, when they do major plan design changes they see a significant drop in utilization; they see it bottom out in a year or two and then year three it starts to come back up; they are getting into year three; therefore, it is not an unusual trend and it should present some concerns for them, to step back and take a look at what they should do next. He stated they are healthy now, but need to be cautious about how quickly this could turn on them; the reason they are only running a six percent trend is their pharmacy trend has been phenomenal with a negative 25 percent trend; this is the result from having a very high generic utilization and some pretty good outcomes with the pharmacy, that they are able to hold that percent; in the Human Resources Department they have similar critical needs that have been heard from other Departments; they have the software and systems upgrades that are necessary so they can continue to have the tools they need to function in a straight Human Resource environment; and he has concerns about the bench strength of his organization, how much training, and the depth of knowledge they have on systems like SAP. He continued they are getting older and have to worry about succession planning like everyone else; when they have enough young people ready to step in and assume the roles to keep the Organization moving forward; the real critical need is on the last slide; this is a project they engaged in several years ago; when they did an analysis of what the impact is over time on a County employee's salary; and his critical issue is an organizational issue. He explained it is what the Board has heard from every Department Director that has come before it in these Workshops and all the Constitutional Officers; this County is not as competitive as it needs to be in the labor market; this is a fairly good illustration as to why; they have created an average salary for all fulltime employees across the top of the screen; they have adjusted that salary by those things that impact an individual employees take home pay; they had added and subtracted as required; they have taken out of average salary the average premium contributions, and granted not every employee has \$1,200 in premiums coming out of their paycheck, these are gross averages to get a fair idea of what is happening to them organizationally; and individual employees are going to see plus or minus based on their actual elections for benefits because they have 12 different premium options for employees. He went on to say the average out-of-pocket expenses, deductibles, co-insurance, and co-pays have shifted significantly to employees over the last several years; this looks back to 2007 where the major cost shifting has taken place since 2010; salary adjustments were added back in, there have been relatively minor increases at several points over the years, and they accounted for those; they have accounted for the impact of furlough back in 2010, instead of laying people off they were furloughed which caused an impact on salaries as well; FRS contributions began in 2011 which now come out of employees pay checks; social security was a give back as it was a Federal Stimulus Plan in 2011 and 2012 where the Fed's reduced the impact social security taxes on employees take home pay; at the end of the day this shows what it meant in terms of impact on the net average salary, that in 2016, the employees are making on average 7.3 percent less than they were making in 2007; and that is before the cost of living was factored in. He noted they are using the same Consumer Price Index (CPI) that the Board is living under when it comes to dealing with the millage rates; that same cost of living compounded over the course of 10 years creates an additional 14 percent impact; the real total impact on employees' salaries is 19.2 percent hit on the take home pay to employees; and this is what is causing the difficulty that the Board has been hearing. He mentioned the Board asked one of the Directors earlier what keeps him up at night, well this is what keeps him up at night, the County's inability to stay competitive and the inability going forward to maintain a

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quality workforce; and he does not have an answer, but he and the County Manager have been working on a couple of things.

Commissioner Barfield stated he had talked about this before; the Board needs to know how bad it is; they need a very detailed salary survey and benefit survey for every position; they also need to know if the pay grades need to be shifted; and he commented they rolled up by funding source but roll it all up and show how bad it is. He noted he is sure it is going to be bad, way off, but it has to have this so it can figure how it is going to get there; it may be a five or 10 year plan, but somehow the Board needs this as soon as it can get it; and the other thing that scares him is it is succession planning but the top level people in this organization are not going to be around much longer.

Mr. Visco stated they recently went through one of those cycles; they could see those dates coming off in the future; they lost a lot of senior folks; they are looking down the road and there is another one of those witching hours coming in about five to eight years; and that is a significant number of senior staff moving on.

Commissioner Barfield stated the Board could take from that and do some planning with career development to get people ready for those; the Board has to have all of the data so it can put together a plan; it will cost a lot of money, but over time they could lay that out.

Commissioner Pritchett inquired how Mr. Visco got the average full time salaries, and if it is just general employees.

Mr. Abbate stated that does not include Fire Rescue, it is just general employees.

Commissioner Pritchett stated she agrees; she is for pay increases; she would like to know the percentage of upper level, middle, and bottom to see what the Board is looking at; it is hard to have one general graft and try to figure out what it is; and she would not mind comparing it with the private sector to see how well they fare against them as well because general employees are comparative with the private sector.

Commissioner Barfield commented his company does salary surveys all the time; and it will take a cross section because it is the job itself.

## **ITEM II., PUBLIC COMMENTS**

Philip Stasik stated he knows how hard this is for the Board; for years and years he has been coming to the Workshops and watching the Board and its predecessors fight to cut the pie and find a way to make it work in hard times and good times; he expressed his appreciation to the Board for working so hard to do this; he noted the Board cannot just keep cutting the pie in different ways, it needs a bigger pie; and he believes everyone recognizes that, not just for roads but for the employees. He commented the County has fantastic hardworking staff, but the Board cannot take care of them at the expense of the environment, the poor, the sick, or the elderly; a good measure of any community is how they treat the sick, how they teach their kids, and how they manage their hospitals; the County is in a tough position because it has been kicking the can down the road every year; this County has a problem with kicking the can down the road; and he asked the Board if it has the courage to do what is right, and to raise the cap. He went on to say he knows the Board is looking at gas taxes, and he believes it will help a little bit here and a little bit there, but that only gets someone so far; the Board knows that is not enough, the County needs more; for years and years the Board compares bar grafts comparing Brevard County to all the counties around Brevard; this County runs a really lean machine; and

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he is here to remind the Board it has got to make that pie bigger; and it has to do it now because every year that goes by and it does not do the right thing, the County ends up leaving it to future generations, who wind up having to pay the price for the bad decisions. He asked the Board to make the right decision and raise the cap; his last presentation to the Board he warned them about the man in Vietnam who had to destroy the village to save it; and he suggested the Board members not be the Board that was remembered for destroying the County in an effort to save it. He stated the Board keeps trying to tighten the screws; mechanics have a joke about how someone knows when they have tightened up a bolt to the maximum torque, and they say by breaking the bolt and then back it off half a turn; this has been going on for years and pretty soon all that is left is a bunch of broken bolts sitting around; he thinks that is where the Board is right now; and he believes the Board has to make the pie larger. He mentioned someone commented people have to pay to park to pay for the parks, and he thinks that is wrong because there are poor people in the County that really depend on having a place to park, and they have to take their children to the park too; and if the County charges people to do those things, it is cutting out those opportunities for the poor people.

#### **ITEM I.J., PRESENTATION, RE: MEDICAL EXAMINER**

Ian Golden, Housing and Human Services Director, stated the first few slides have been seen before, it is their mission, and the different programs they have; the first slide is the actual budget for the Medical Examiner; they have a \$1.6 million budget; the largest is the General Fund transfer at \$1.4 million; they have charges for services which is typically for the cremation reviews that are done; and miscellaneous, they actually rent out space for when tissue banks come in to do their services. He continued the next slide is budget by roll-up; one of the program areas is the Medical Examiner, so there are line items just for that; Medical Examiner's themselves are an unfunded State mandate; they are responsible for determining all types, causes, and manners of death; they review all cremations, burials at sea, and donation requests; and they do both sides of not only the autopsy but also investigations as well. He mentioned some of the trends and issues really have to do with the number of cases; they are really exceeding what the State practice guidelines state; Brevard County has a Medical Examiner and an Associate Medical Examiner; for two of them they want to see them doing about 225 to 275 autopsies per year; they have been definitely exceeding that and have been; they put the PowerPoint together in April and as of that time, they were already at 298, and to this date they are at 407, which is 55 over where they were last year; and they are on track to exceed 1,000 for the first time. He noted some of the other duties such as cremation approvals, when looking at the last few years from 2014 to 2017, those numbers are trending up as well; some of the other numbers and trends they are seeing is about 44 percent in overdose deaths; there is a 220 percent increase in suicides of those under 21; and the next slide compares Brevard County with five other counties. He went on to say there is one with double the population, but when looking at the other Districts, the blue line is the population and the red line is the number of autopsies they performed, and the only District that comes close to Brevard is District five which has a population over a million; Brevard did almost as many autopsies as they did in 2015; he does not have the 2016 numbers for those Districts yet; the next slide gives an idea of the same Districts for 2014 and 2015 cases and the number of medical examiners they have; there are some Districts that have quite a few less autopsies but exceed in the number of Medical Examiners; and District five which is close to Brevard has three Medical Examiners. He reiterated with trends and issues those numbers continue to go up year after year; cremation approvals are going up, something called waive reports were also required to review deaths that are reported to them, but fall outside the jurisdiction, and those numbers are increasing; and finally critical needs is a third Medical Examiner. He added along with that Medical Examiner, there has to be two techs, because every time that Medical Examiner autopsies, there is one tech to assist and one tech to take pictures and do other things; and he estimates that would be a recurring cost of \$350,000 a year.

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Chairman Smith asked where the County is going to find that money.

Mr. Golden responded that is why he is bringing it to the Board, to seek direction.

Commissioner Isnardi inquired how long Mr. Golden has had a second Medical Examiner because she thought he was by himself for a long time.

Mr. Golden stated as far as he knows, the current Medical Examiner was an associate since 2007.

Commissioner Isnardi asked if Dr. Keyser was still there.

Mr. Golden replied yes; he thinks prior to that, down to the early 2000's there were still two; and he is unsure when there became two, but it has been quite some time.

Commissioner Isnardi commented she had the courtesy when she was a nursing student, which Dr. Keyser was kind enough to say he needed some help, but at the time she was just an observer; and his staff had nothing but kind words to say about him.

Mr. Golden concurred because that is what he hears from them as well. He noted one of the things he loves to do is teach.

Commissioner Isnardi stated she saw a lot more than she ever would have imagined; and that it was very fascinating to her.

Mr. Golden commented his staff, staffs the cases; his staff is trained; and Dr. Keyser asks his medical investigator medical questions to try to get the extra knowledge for them when they are out on the scene.

Commissioner Isnardi inquired why Brevard does so many autopsies.

Mr. Golden responded he thinks it is because the increase in population; and this County has an older population.

Commissioner Isnardi stated that was what she was going to ask; she knows in hospice if they have a patient who has broken a hip, who has fallen with a trend to their health is a decline, often times there is an autopsy; obviously there is no foul play, but it all part of the process; and that probably is a factor.

Mr. Golden noted there has been a move to encourage more internal autopsies; there are two different types, internal and external; externals really rely more on investigation of the scene and medical history; however, both sides are seeing an increase.

Commissioner Isnardi inquired if it depends on if a physician is willing to sign off; and of that is a factor.

Commissioner Tobia stated he gets that the County has an older population, but just looking at these, the County is almost more than double per capita, this is not a controlling per 10 or 20 percent difference as age may be; and he is wondering what accounts for twice. He added that is a statistical anomaly what is occurring with these numbers.

Mr. Golden responded he cannot tell him entirely, but he thinks some of the things he pointed out early such as the significant increase in drug overdoses.

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Commissioner Tobia responded there has to be some basis that there is this significant use in drug overdoses in Brevard County versus Volusia County. He went on to say all counties are going through it; the Governor just created an opioid crisis and it is not limited to Brevard County; he does not even know that Brevard County has their fair share; and what this chart is telling him is, and he appreciates the information his office has shared and sometimes to the detriment of his Department, the reality of the situation is the reality of these numbers do not make sense that Brevard County is a factor of two, not 20 percent, but 100 percent higher than, with one exception, any other of these Districts.

Mr. Golden responded he does not know that he can point out an one thing; he can say they have not gone and looked at the actual numbers of overdoses and suicides from other counties; and he does know Brevard County, in the four District area that is covered by the managing entity that oversees substance abuse and mental health services, of those four counties, Orange, Osceola, Seminole, and Brevard, Brevard has the highest rate of suicide.

Commissioner Tobia asked if it is twice as high per capita.

Mr. Golden replied he could not say that, but he knows it is significantly higher that the majority of their resources for those types of services, hotlines, and such are coming to Brevard. Opioids like Commissioner Tobia mentioned, are across the board, but he knows a portion of that is coming to that four county area; and he pointed out that age does play a factor; Brevard County is one of the oldest counties when looking at median age in the State of Florida, by almost a decade over what the average is. He continued there are some things that tie into that, but he could not provide everything that tie into that double increase.

Commissioner Tobia asked if the Medical Examiner is the one who ultimately makes the decision whether or not an autopsy is performed.

Mr. Golden stated he is, he staff's every case; he does have that decision; there are certain cases that will, just by their nature, always require an autopsy; homicide, typically suicide they would want to rule out that there was nothing else going on; he is not a Medical Examiner and he does not have a medical background so he cannot tell him everything; however, he does know in reviewing the practice guidelines, the Medical Examiner does go into a lot of things to look for, certain things that help him make the decision.

Commissioner Tobia inquired if there are guidelines that determine whether or not an autopsy is performed that Mr. Golden would imagine are similar in District 18 as opposed to District 5.

Mr. Golden responded there is some leeway but those practice guidelines cover things like records retention; he provided an example like the records that deal with homicide have to be kept forever; and that is why one of the reasons he had discussed earlier, like moving to paperless, because he has a huge collection of records that they are looking to make digital.

Commissioner Isnardi stated she knows there was an overtime issue before; and she inquired if the overtime issue could be helped with another employee, because it was very high.

Mr. Golden commented the overtime was typically tied to the investigators; that has to do with the fact that they are on-call; they rotate the on-call but they have to have somebody on-call; and when someone is on call typically they get paid for three hours whether they are called out or not. He continued if they are called they are paid for the actual time, but someone has to be available 24/7 to go to a scene; that is where a lot of that is coming from; they did just recently convert a tech position into another investigator hoping that this year they will see some impact to that overtime.

**ITEM I.K., PRESENTATION, RE: VETERAN'S SERVICES**

Ian Golden, Housing and Human services Director, stated just like the last one, he is going to jump through to the pie chart; the total budget is about \$334,000; there is about \$40,000 for a transfer to the City of Palm Bay to help support their veterans services officer; on the Budget Roll-up slide Veterans is one of the Program areas included in that, with a line item detail; Florida has the third highest veterans population in the Country; Brevard is the seven highest veterans population in the State; and when looking at Brevard, as a factor across the Country, Brevard is 34th in the Nation in terms of veteran population. He mentioned the officers themselves, every County in the State has a Veterans Service Officer, are governed by Florida Statute, which also governs the fact that they have to be certified Veterans Service's Officers; they have to go to annual training through the Florida Department of Veterans Affairs; the training is offered twice a year; instead of closing the office down, he splits it, two go at one time; he believes there are some offices, Volusia, who closes down and sends all nine of their staff, to both trainings; and the training itself is three to four days and it includes a test that must be passed. He noted this slide is a quick look at the population of different counties and the number of Veteran Service Officers that they have; some of the services they provide is helping the veterans and their dependents with different types of programs that are available through the VA; one of his officer's helped get a veteran get \$100,000 in back pension benefits that he was entitled to just through review and working through the laborious process through the National Veteran's Administration to actually get changes in the disability and the pension for him; some of the things they are seeing as trends are a shift in demographics; they are moving away from the World War II veterans and into more Korean and Vietnam War veterans and the different types of disabilities associated with that; the claims themselves are getting more complicated; and there are more environmental impacts from certain camps, such as Camp Le June, where there are trainees who went through that camp present with. He added there is an increase in the 911 Veterans seeking benefits; for critical needs he thinks for them a lot of that was addressed with the Board last year, when it added the fourth Veteran Services Officer; what they saw before that was a wait time of sometimes greater than an hour and a half; they have now gotten that down to probably 15-20 minutes; and they have been able to increase the hours at the Government Center, instead of doing half-days on Wednesdays and Fridays, they are now open Monday through Friday with complete business hours, which has had a good impact upon serving the veteran population in the County.

**ITEM I.L., PRESENTATION, RE: NBEDZ**

Troy Post, North Brevard Economic Development Zone (NBEDZ) Director, stated the Mission Statement is to work to try to expand the tax base in the northern end of the County, District 1 and portions of District 2 around Exploration Park, increase job opportunities which is one of their main focuses particularly for high value added jobs for more than the annual average in the County which is approximately \$45,000, and the big mission is to try to diversify the local economy to hopefully avoid the incident they had with the shuttle and Apollo programs which is to get away from their dependence in the northern end upon Federal sector driven aero-space industry; there are some unique obstacles they must overcome, the biggest of which is there is not a lot of land available for commercial development; there is a lot of federally owned land with the Space Center and some set-asides for the Wildlife Refuge; and there is a very narrow commercial corridor, and in some cases the distance between the Lagoon and I-95 is only three or four miles wide which makes them have to redevelop those areas because there is not a lot of additional property, most of the areas west of I-95 cannot be developed. He noted another reason is because they have more of a direct impact from NASA in the effect of cuts and layoffs because of their proximity to the Space center; to overcome these obstacles NBEDZ was created in 2011, as a tax increment financing district; it does have a sunset provision, it sets after 31 years; they are currently in year six of the Zone and next year will be their seventh year in existence; and sometimes he gets questioned why the zone is set up as an incentive tool. He

explained reason one is to offer an inducement to drive business and investment in the area; the concept of providing an incentive is a way to induce a developer or business to locate in the area to grow jobs and economics, there is a lot of literature on the theory of incentives and how they are applied; most businesses use incentives when they formulate their pricing strategies to be able to get a customer to be able to buy a product or service; they can offer discounts, rebates, and this is very much the same in economic development; they are marketing the community and they need to have inducements or incentives to be able to convince and make a case for developers and businesses to come to this area; and he commented an incentive is not a gift, generally when a gift is given there is no expectation of receiving anything in return, and incentive is based on an exchange. He explained someone provides an incentive in exchange for a developer or business doing something in the community, buying a building, buying a lot, or creating a certain number of jobs; another reason why having an incentive is important is to grow the macro economy, which is a reference to growing the area north of the County that they consider its own little economic area; they want to try to get away from this over dependence of federal sector led aero-space; as an attempt to diversify the economy they need incentives to be able drive investment to recruit companies that are in marine, boating, food processing, and logistics, all these different industry sectors; it is important because they want to be able to compete against the field because there is a lot of competition that exists in this; and there are over 15,000 economic development associations in the United States offering more than \$3 billion in incentives annual, and if the County does not have an incentive tool, they will not be able to compete. He stated the second question he gets asked is why a TIF structure; he was not here in 2011, when the zone was formed, but his understanding is the leadership at that time was looking at the possibilities of some upgrades and infrastructure improvements to some of the utility facilities in the northern end, in particular Port St. John was the home of two coal powered electric generation plants, one is the OUC Plant which is idle to this day, and the FPL facility which was taken down and built back up with the natural gas powered electric generation plant; a lot of time communities do not like to have those things in their backyards, they are considered eyesores with a visual impairment on the landscape, but they are still needed, so they are considered a fair trade off; and if the District 1 area was going to be the home to these types of facilities, they should get a portion of that tax revenue back to help with their goals in diversifying the economy. He went on to say the Zone, a nine person Board appointed jointly by the City of Titusville and the Brevard County Commission, they came up with these plans and put it together in an economic development plan which is available on his website at NBEDZ.com and it list these four or five areas that they try to work on; with each one of these programs, they have certain guiding principles that they try to adhere to; the first is performance based and is to require a developer or business to do something in order to qualify for the incentive, they have to build a building, create a certain number of jobs, and it can vary from agreement to agreement, but there has to be some type of bench mark they hit before the incentive is provided; that way he can be assured they will implement and do the project they are talking about; the second principle is they try to see what the return on investment is going to be, so for that they adhere to a certain leverage ratio, at least 5:1 so every one dollar in public money being used, they want at least \$5 in private funds coming back into the area; the results, if the projects they have approved and have entered into an agreements with, do what they say and hit these benchmarks they will have created 2,000 new jobs for the area, which would result in a capital investment of more than \$314 million; some of these projects people have heard about or read about, some may not have been heard about because they are smaller, but the Zone has done things that relate to those high value added jobs; they have also done projects that are redevelopment projects; and he provided a shot of the Blue Origin building currently under construction. He continued to show a photo of Titus Landing which is near completion; he stated they have done some pad ready sides at the County owned Commerce Park; they have helped some businesses; some of those are non-aero-space related which is good for the diversification strategy; they have also had the chance, with the monies provided by the City of Titusville, to start a co working space and even embark on a maker's space; to take all of the commitments that have been made per the approved deals they have had, which totals the

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\$18.4 million, and to compare that to the \$314 million in new capital investment, that is a leverage ratio of 17:1, and he thinks that is a good metric. He pointed out looking at the current zone budget for this year, these are the categories and he expects them to stay the same next year but the numbers will change; grants and aid is their largest, this is how they take some of the incentives and provide it to those businesses and developers as an incentive; the debt service figure was \$300,000 this year but will change substantially next year; the reserves figure was very large last year because at this time last year they were not really sure on the Titus Landing Project, which is the demolition of the old Miracle City Mall, but that project was going to qualify for its incentive in the Fall or early Winter, and it turn out they have taken until this date to actually qualify for the incentive so for that reason that debt service obligation next Fiscal Year will go to that \$1.8 million figure based on their estimate of being able to provide both the incentive to Blue Origin and to Titus Landing in lumps sum fashion for which they will then have to carry a note for the next few years to repay that obligation; in their budget development what they usually do is in April they go before their Board of Directors with a proposed budget and get their feedback, they go back to a May meeting and get them to approve the budget, then it goes to the Titusville City Council, and if they approve the budget then they will meet with the County Manager and the Assistant County Manager in hopes of getting the budget to the Board in July and August; and they are also waiting for the tax assessor's office to set the value because their allocation depends on what the property valuation figure will be.

Commissioner Tobia commented Mr. Post mentioned this is to incentivize, and his understanding is incentivize is to encourage someone to do something that they might otherwise not do; he inquired how that determination is made, because clearly it is in the best interest of Brevard County that more jobs are created here, but he asked if that is a mutual benefit to a business that decides to move into Brevard County, that they create more jobs, thus ideally more profit; and he reiterated the question how they make the determination that a Dunkin Donuts is going to come here, whether they provide them an incentive or not.

Mr. Post responded there are several ways to answer that; one, he would like to mention is that with every project that they meet with that has a potential to be offered some type of incentive package to drive or induce the deal to locate in the north end, they have them fill out an application form, which calls for them to specify exactly what their project costs are, what the different elements of the project will involve, what kind of hiring schedules they have, what type of jobs they will hire, and those types of things; they take that information and create an impact analysis where they are looking at what will be the likelihood, if they create those jobs that they will lead to a spill over or multiplier effect jobs, some induced jobs, or other induced jobs to be created; they take all of those different components and before they go before their Board with any kind of recommendation for an incentive package, they try to put forth an argument that they feel will justify why they think they should use their scarce resources to drive the deal; they are not trying to offer an incentive to every single business that comes; one of the other things they try to do is put it before a unique needs test; and if they are talking to a manufacturer, for example, that is in a field where there may not be a similar manufacturer that exists in the County, they would want to bring in this company to the area to help with diversification strategy, and that will weigh heavily in their decision and recommendation to the Zone Board. He added there are a variety of factors; it is sometimes very difficult to figure out what to put forth, and what will be a trigger to induce them to go forward; and they use those types of facts and figures and the information they provide in their application, which is essentially just like a business plan.

Commissioner Tobia stated he imagines if he were a business and he was going to make a case that without an incentive he is going to go to Orange County or elsewhere; he inquired if there was a scientific measure to determine whether or not, had the Zone not provided an incentive if they would have come.

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Mr. Post responded hopefully if a business is really watching the bottom line, they would recommend to any business to take a look at what is out there with all the choices, in all the communities; they should be doing this anyway, weighing the cost of land, the cost of construction, and how to get their labor pool together in all the other communities; hopefully they can make a compelling case on this community with a variety of factors, not just the incentives because it is more than just incentives that drive location decisions, it is proximity to whatever market they are trying to get to or it could be transportation issues; hopefully a business has looked at all those different factors and has been able to call it down to one of two communities that they think meet their test, so that the deciding factor at that point may very well be some type of incentive or inducement to bring it home; however, he would certainly hope that a business would look at other markets, study them, and see what is the best business case for their business to pursue.

Commissioner Tobia stated he believes most businesses do that; he inquired if Mr. Post believes these companies, when they make the decisions to locate, have not already taken into account Brevard County's beautiful beaches, strong workforce, etc.

Mr. Post responded he thinks this is a great community and he thinks there are a number of amenities that they all celebrate; every business is unique and what this community may see as an amenity may not be an amenity to another business; they may not want close access to a beach that could pose a problem for a natural disaster threat that they do not want to get into; that is sometimes one of the factors for them to not have a lot of data centers; there could be a fear that too many employees may try to spend too much time going to the beach and working in their certain occupations; however, their job is to try to sell the attributes that they think mesh well with what the company is looking for, and hopefully if they have established a good relationship with them as they are inquiring on the sites and other things, they will be able to understand what it is that the business is looking for. He reiterated that is part of their process in forming the incentives.

**ITEM V.A., REPORTS, RE: FRANK ABBATE, INTERIM COUNTY MANAGER**

Frank Abbate, Interim County Manager, inquired there is not going to be another Workshop, does the Board want to go over the last list of proposed reductions.

Commissioner Barfield asked if that could be done at the insurance Workshop.

Mr. Abbate stated that is only one day before he submits the budget.

Commissioner Isnardi commented the Board could do it Thursday.

Chairman Smith agreed the Board could fit it in at Thursday's meeting.

Commissioner Tobia commented IT had mentioned in the upcoming budget, they do not have any travel so he does not think they need to be called back, because they voluntarily stated they would not have that; and he does not want them to have to wait for something that is not going to come up.

Mr. Abbate stated he was just asking the Board if they wanted to address it now, because they are fine with that.

Chairman Smith stated he would like to look it over some before addressing it.

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Upon consensus of the Board, the meeting adjourned at 6:10 p.m.

ATTEST:

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SCOTT ELLIS, CLERK

\_\_\_\_\_  
CURT SMITH, CHAIRMAN  
BOARD OF COUNTY COMMISSIONERS  
BREVARD COUNTY, FLORIDA