

Committee And Staff Reports – continued

F. Police Department – Chief Petrick reported on the theft and recovery of a contractor’s ladders, an incident of trespass, and theft by an employee at a convenience store. He stated the department was ready for lobster mini-season next week. In response to questions, Chief Petrick stated that officers are doing extra patrols on Coral Lane in response to citizen complaints and that the sign on Clara banning truck traffic is not enforceable, but was placed to discourage truck traffic. At the request of the commission, Attorney Wright and Chief Petrick will review state and city code about truck traffic and report back to the commission. Also, Chief Petrick and Building Official Borysiewicz will work on placing a sign on the Causeway about canals being “no wake” zones.

G. Building Department/Public Works – Building Official Borysiewicz reported all vacant lots have been maintained and are in compliance with code, the Code Enforcement Board is working on a case for landscape maintenance and renting without a license, and sewer lines continue to be inspected and repaired. He stated he again checked pricing for dumpsters and the current contractor, Price Cutters, is still the most economical. The Building Official will meet with Utility Board Chair Flood after the meeting to discuss a bid proposal for utility contractors.

H. City Secretary-Treasurer – Commissioner Vorick stated commissioners were given information showing salaries paid by similar sized cities for city department heads. He said the city was competitive, but the study only dealt with salary not benefits.

I. City Clerk – City Clerk stated that there are 150 quarterly sewer bills that were not been paid by the due date of July 20. Next week late fees will be added and notices mailed.

5. Unfinished Business

Fire/EMS Services

Mayor Sutton thanked all commissioners for all the extra effort that was put into this important issue during the last couple months. He suggested that each commissioner be allowed to speak without interruption, then commission discussion, then allow the public to speak, and complete the discussion. Commissioners concurred.

Mayor Sutton: Both Marathon and the County would provide good service. The men and women who work in the departments are not political and are dedicated to helping when needed. Over 5 years the total cost with Marathon would be \$2,625,000. The County offered three years for a total of \$1,659,000. The commission had expressed a desire for a long term contract that would keep politics out. County commission indicated they wanted to revisit this issue at the end of three years and the city may have to pay the millage rate paid by other areas which is 1.8709. Based on this year’s taxable value that would total about \$1,050,000 for each year. Over five years, the County cost would be about \$1,134,000 more than Marathon. Marathon has 4 staff per shift and the County is offering 2 staff. Our police officers can help, but are limited due to lack of training and certifications. Housing the County fire station is an issue. If it is located at Crawl Key, the city would need to pay an additional \$35,000. If it was located in the city it would cost \$90,000 to renovate the new public works building. Marathon is less money in the long term. He acknowledged that negotiations with Marathon were difficult and left many very unhappy, but emotions should be set aside and evaluate service and dollars. The Marathon Council has agreed to delete the 4/5 vote and all opt-out clauses, and will not send a settlement bill next year. This shows their Council’s good faith and desire to rebuild the relationship between the cities.

Unfinished Business – Fire/EMS Services

Vice-Mayor Zahn: She had spoken to the County and Marathon staff/officials. The hard work and efforts of all the commissioners was very helpful. The Marathon staff and Council should have done a better job with the negotiations. Marathon and the County give good service, but it comes down to dollars, keeping the budget in-line. We need to get the best service at the best price. Lots of information has been sent out and lots of emails were sent to city hall, many of which expressed a desire to contract with the County in light of Marathon's attitude. Marathon has always provided good service. We need to get past the emotion and look at the money. There is a problem with housing a fire station in the city and the County commission expressed that there will be difficulty explaining the difference in payment from KCB. The bottom line remains cost and service. She wants to hear from others before making a decision and is opening to listening to all points of view. She is willing to work with Marathon if there was a well-written, legally binding contract with no outs, for a set price.

Commissioner DeNeale: He thanked both fire chiefs for their help throughout this process and all residents who got involved. Business models should be used to help analyze the costs and services. Pricing services is difficult. He was advised to look at direct costs of providing the service. Marathon first proposed adding all costs including administrative costs, equipment, building, etc, but not all revenues were included to off-set the costs. There are other relevant statistics, such as number of housing units and number of calls. The cost should be closer to \$406,000 per year rather than \$525,000. He stated he had a problem paying \$119,000 more than the direct costs. There are concerns from a business prospective on the amount Marathon was asking. Our own department would be about \$650,000. The County is basically setting up a small fire department just for KCB. County Commissioner statements about costs for years 4 and 5 may have been political. The County is offering a good deal, adding people and vehicles just for us. They will also be available to Marathon for back-up.

Commissioner Vorick: When he was elected he promised to make the tough decisions. There has been a lot of thought and emotion with this issue, but the real issue is health and safety of the citizens. The commission has to do what is best and he echoes Commissioner DeNeale that this needs to be a business decision. All commissioners have done a lot of hard work regarding Fire/EMS. The County provided a business proposal to the city. Commissioners will continue to do a good job with the budget. The most cost-effective option is to have our own department based on what has been learned during this process. The biggest costs will be for personnel, but the city would have control over costs. Creating our own department will take a lot of work, but it could be done in three years. The County offers the best deal until we can establish our own department.

Commissioner Schmidt: She thanked all the citizens for their interest and input, and Marathon for their excellent service during the past 10 years. This issue was played out in the press. Firefighters are fine people and the city has gotten excellent care. She thanked both fire chiefs for their efforts. However, this is now politics and Marathon doesn't get it. She reviewed the costs from Marathon and said the cost of service per household in Marathon was \$129, but a KCB household paid \$327. If number of calls was used to determine payment, our city would be paying much less. The cost burden was not fair and equitable to our city. The County is charging us for manpower which is less than millage charged to other areas. We would basically have our own fire department for our own cohesive community, similar to our police force. If we contract with Marathon, the \$25,000 of Infrastructure goes to improve their city; the \$35,000 we pay the County will improve the County. If we house the department in the city, all the dollars go to improve our community.

Unfinished Business – Fire/EMS Services

Citizens would be willing to contribute money and household items to establish a fire house in our city. Emails sent by citizens lean to contracting with the County. Referring to the Marathon proposal for an opt-out clause, she said she called Mr. Hernstadt and asked about what kind of events would lead to re-negotiations. He indicated that if there was some disaster where services couldn't be provided the city would be able to get service elsewhere. But, it's during an emergency when these services are needed; it is no time to be negotiating. Mr. Hernstadt had indicated this would provide "wobble-room" for both cities. Marathon's Council and upper management's commitment is questionable. There have been lots of changes during the last few years as the Marathon Council has changed. The County recognizes that KCB is unique and she believes they will give us a five-year contract. Citizens have said that they are willing to pay a little more for the County service. She strongly favors a contract with the County.

Commissioners discussed and commented:

Mayor Sutton said that the County could end up with lawsuits from other areas if KCB does not pay the millage rate in years 4 and 5 and that an extra \$209,000 is a lot of money. He acknowledged there was a rough start with Marathon, but we have to keep taxes low in KCB. The minimum additional cost for 5 years is \$209,000, but it could be as much as \$1,134,000 and that's a lot of money. Spending that much more would not be a good business decision.

Commissioner Vorick related his past experience when sometimes you pay more when you get extra services. The same is happening here. The city will pay more, but the service we will get is more valuable. The County will review the agreement in three years, but the city will get our money's worth.

Commissioner Schmidt stated that Marathon opened negotiations by telling us they would terminate service in 90 days and that we owed additional money for prior years and this year. If the county had not come forward, the city would be paying \$670,000 to Marathon. Our own department may be expensive, but the citizens may be willing to pay for it.

Commissioner DeNeale said he respected everyone's opinion. He had spoken to several business people, and we must take a "reasonable man" approach. If the city invests in infrastructure to house the fire department in the city, they will not expect us to pay as much as other areas that do not provide a fire house. The city needs to get the most "bang for our buck." We have two proposals, but they do not offer equal service.

Vice-Mayor Zahn stated that the city would never have accepted the terms Marathon offered in that first letter. The city would have gone directly to the Marathon Council to negotiate. Having our own fire department would be too expensive.

Commissioner DeNeale said he was very concerned after the Mayor's last meeting with Mr. Hernstadt. Within days a new number was presented in the press of \$638,000. He called Mr. Hernstadt, but did not get a response to his questions. Three of the Marathon Council stated they thought \$525,000 was fair. He said he was not comfortable with Mr. Hernstadt or with Marathon Finance Director Peter Rosasco.

Mayor Sutton – By the time Commissioner DeNeale talked to Mr. Hernstadt, the spreadsheets were no longer being used to negotiate, so Mr. Hernstadt probably felt no need to respond to questions about them. We need to get away from the politics and have a 5-year iron-clad agreement so that changes to commission/council will not be a factor. The agreement with Marathon achieves this goal.

Mayor Sutton and Commissioner Schmidt discussed a phone call between them and the misunderstanding that resulted.

Unfinished Business – Fire/EMS Services

Public comment:

Monroe County Fire Chief Jim Callahan assured all KCB and Marathon homeowners that the County will continue to aid everyone. If chosen, they will serve KCB and provide back-up for Marathon. In response to questions, Chief Callahan declined to speculate on County Commission action at the end of the three years.

Marathon Mayor Ginger Snead said she was serving as an ambassador from Marathon. She said the Council takes full responsibility for the negotiations; Mr. Hernstadt was acting as directed by the Council. She was sorry that the issue was played out in the newspaper. She said the cities have always had a good relationship and their Council showed good will by agreeing to the proposed contract. In addition, they will agree to additional concessions by deleting any opt-out and waiving the settlement for this fiscal year. She proposed a new beginning of working and living together. She said the Council would never allow KCB to be without Fire/EMS service and hoped the cities could go forward. In response to questions, she said that services would be by contract not on a per-call basis; and that without serving KCB they may have to scale down and provide less service.

Marathon Fire Chief William Wagner they would continue to provide service and this issue involves lots of money and lots of emotion. He said fire service is an investment in life and property. He outlined the differences in service levels. Marathon offers 4 personnel each shift plus 3 administrative staff, 25 volunteers, 2 fire trucks, ladder truck, and ambulances. Fire/EMS departments are built around risk to life and property. The County will get pressure from other jurisdictions. Marathon is currently providing exceptional services.

Phil Shropshire thanked the commissioners for doing the job, especially considering the pay they receive. He said he didn't have all the information and hasn't come to a conclusion about what the city should do. However, human nature can't be changed and emotions are involved, but this is a business decision and the emotions should be left out. Key Colony is a donor community; we put more in than we get back. If we had our own department, we would have control. He hates to see this issue dividing the community.

Lynn Mapes stated he has lots of experience negotiating with vendors. He keeps hearing the phrase "iron-clad" agreement and doesn't believe one exists. He said the phrase means that we don't trust the other party and if that's true it's a bit scary. We should contract with someone we trust.

Eric Larsson said that our city has always been ahead of the curve with our post office, police force, and the sewer plant. Some citizens left town after the decision to install sewers. He suggested we should look to the future and not just 3-5 years, but 10-15 years. The city would reap the benefit of having our own department even if it did cost more. He supported contracting with the County and working to create our own department.

Motion – Moved by Commissioner Vorick, seconded by Commissioner Schmidt, to contract with Monroe County for Fire/EMS services as stated in their letter for the next three years and to authorize the city attorney to work with the County attorney to draft an agreement. Roll Call Vote: Yes – Vorick, Schmidt, DeNeale No – Sutton, Zahn. Motion passed.

At 11:05 a.m. commissioners agreed to a short recess. The meeting reconvened at 11:15 a.m.

6. Items of Discussion/Approval

Review of Fiscal Year 2010-2011 Budget: Motion to Set Proposed Millage Rate; and Motion to Set Public Hearing Dates

Mayor Sutton stated one change was made to the budget numbers since the July 12 workshop. The stated had revised the estimated Communications Services Tax and the worksheets were updated to reflect the new estimate.

Items of Discussion/Approval – continued

Motion – Moved by Commissioner Vorick, seconded by Commissioner Schmidt, to approve the 2010 Proposed Budget for the City of Key Colony Beach of \$2,287,675. Roll Call Vote: Unanimous approval.

Motion – Moved by Vice-Mayor Zahn, seconded by Commissioner DeNeale, to set the proposed millage tax at the rollback rate of 2.0674 per \$1,000 of taxable value for the 2010 Tax Year for the City of Key Colony Beach. Roll Call Vote: Unanimous approval.

Motion – Moved by Mayor Sutton, seconded by Commissioner Schmidt, to hold the first public hearing on the budget and set the tentative millage for Fiscal Year 2010-2011 on Monday, September 13, 2010 at 5:15 p.m. in the City Hall Auditorium and hold the second public hearing on the budget and set the final millage on Monday, September 20, 2010 at 5:15 p.m. in the City Hall Auditorium. Roll Call Vote: Unanimous approval.

Mayor Sutton stated that commissioners were given a price proposal from Bobcat Metal Products for stormwater drain covers in the amount of \$1,070. He said these covers were inadvertently left out of the bid package, but were needed for added safety for children and pets. He said two estimates were gotten and this was the lowest.

Motion – Moved by Commissioner Vorick, seconded by Vice-Mayor Zahn, to approve the purchase of stormwater drain covers from Bobcat Metal Products for \$1,070. Roll Call Vote: Unanimous approval.

7. City Administrator Items For Discussion/Approval

Golf Course Lease Renewal

Mayor Sutton reviewed the changes to the lease that he and Manager Daryl Rice had discussed:

- A one year agreement with an option for one more.
- City will pay for all sprinkler heads.
- Green and membership fees would be determined by the Manager.
- Pro shop could be closed on Mondays in the summer and Christmas and Thanksgiving.
- Water coolers would be removed from course, bench drying would be deleted, paper products would be supplied by city for the Public Works bathroom, and golf course staff will do the cleaning.

Recreation Vice-Chair Blanche Hines said the committee had not reviewed the changes, but she did not think the committee would have any objections. It was suggested the city may want to install water saving toilets at the public works building. In response to a question, Building Official Borysiewicz stated the water cooler would be repaired today.

Attorney Wright stated that the lease as amended was fine from a legal standpoint. He will prepare it for approval at the next meeting.

Update on Oil Spill and Volunteer Training

Mayor Sutton stated he and Building Official Borysiewicz went to the Unified Command Post in Miami. They received a tour and a briefing on the monitoring of the spill and preparedness plans for the Keys should oil come here. They were told there is little chance that the Keys will be affected in any way from the spill, but that resources are in place if it does. Mayor Sutton said that volunteer training classes are being scheduled, hopefully next week. He has been working with Marathon Emergency Management Director and will post notices when details are available. Those interested in participating can sign-up in city hall.

City Administrator Items For Discussion/Approval- continuedUpdate on Stormwater Project

Mayor Sutton stated Toppino and Sons has done an excellent job and are ahead of schedule. The project engineer will be in town tomorrow for inspections of the project.

Mayor Sutton presented Commissioner DeNeale with a certificate for completing the Florida League of Cities class for Elected Officials. He thanked him for his efforts. Commissioner DeNeale thanked the commission and citizens for the opportunity.

8. Ordinances and Resolutions – None.9. Commissioners' Reports or Comments

Commissioner Schmidt thanked all the commissioners for all the hard work and effort on the Fire/EMS issue. She stated she respected all commissioners and wanted to move forward.

Commissioner Vorick agreed with Commissioner Schmidt and said he was proud to be serving with the other commissioners.

Commissioner DeNeale also agreed with the previous comments and thanked the other commissioners for their efforts.

Vice-Mayor Zahn also thanked all commissioners for the hard work, information gathering, and analysis presented. She said she felt the citizens appreciated the various opinions and respected that each commissioner voted on what they thought was best for the city. She said the decision made will work out well for the citizens.

10. City Attorney Report – Thomas D. Wright

Attorney Wright advised that the resolution that directed the fire insurance premiums to the City of Marathon Pension Fund be reviewed and updated as needed for next fiscal year. City clerk was directed to follow-up and report back to the commission.

11. Correspondence & Citizen Comments

City clerk reported numerous emails were received regarding Fire/EMS service. Commissioners were provided a copy of each one and they are on file in the clerk's office for review. She stated emails were received from:

Carol Teague

Marie H. Flood

R. D. Vander Laan

Louis Funk, Joseph Fiorita, Mark Modzelewski

Bill Knickman

Malcolm and Meredith McDonald

Charles Lankford

John Busch

Ron Anderson

Joellen Young and Bill Gustafson

Bill Ludwin

Brian Sweeny

Eric and Janice Larsson

Norval Smith

Delores (Brigitte Blaudow)

Sheril and Steven M. Blomgren

Dr. James Byland

Correspondence & Citizen Comments - continued

Chuck and Donna Ryan
Steve and Ann Wenger
Daniel and Michelle Piotti
Tom Tucker
Barry Flannigan
Fernando and Josefina Figueroa
Fred and Laurie Swanson
Nancy and Vince Thompson
Karen Haring
Donald Miller
Jerold Ellis
Kathryn McCullough
Jerry and Bev Pikor
Denice Evans
A. Dovetko
Bob Licause
Larry Wagner
George Wright
Jerry
Susan Morris
Ron and Linda Geipe
Tom Harding
Ron and Tania Teke
Lynn and Linda Mapes
Joel and Bonnie Cadbury
Ruth Schulz
Robert and Jane Hecksher
Bob and Liz Montgomery
Hans Kolster
Bill Trefry
Dick and Donna Shaffer
Eric and Jan Larsson
Jim Teague
Robert Phippard
Bill Kennedy
William E. Packer
Frank Seidl
Ed and Christine Blais
JR (James Rider?)
Jean Hering
James W. Rider
Joey Raspe
Tucker DeGraw
John A. Kearns
Phil and Sally Flagg
Brad Petersen

Commissioner Schmidt, referring to the list above, stated that “Karen Haring” was Karen Harrington and “Jerry” was Jerry Pikor.

Correspondence & Citizen Comments - continued
Citizen Comments - None

The meeting adjourned at 11:45 a.m.

Vickie L. Bollinger, City Clerk

Note: A mechanical recording has been made of the meeting of which these minutes are a part, and a copy is on file in the office of the City Clerk, as a public record.