

MINUTES
KEY COLONY BEACH
CITY COMMISSION REGULAR MEETING
Thursday, October 27, 2016, 9:30 A.M.
City Hall Auditorium

1. **Call to Order, Pledge of Allegiance, Prayer, and Roll Call:** The Regular Meeting of the Key Colony Beach City Commission was called to order by Mayor Jerry Ellis at 9:30 A.M. followed by the Pledge of Allegiance and Prayer.

Present: Mayor Jerry Ellis, Vice Mayor Ron Sutton, Secretary Treasurer Jim Pettorini, Commissioner John DeNeale and Commissioner April Tracy. *Also Present:* City Clerk Kathryn McCullough, Utility Clerk Blanca Kulig, City Attorney Thomas Wright, Building Official Ed Borysiewicz, Assistant Building Official Steve Britske, Police Chief DiGiovanni and Fire Chief John Johnson. Public - 8

At the conclusion of the prayer Vice Mayor Sutton requested everyone remain standing and observe a minute of silent prayer in memory of Larry Ryden who passed away on 10/18/16. Mr. Ryden was a long time resident of Key Colony Beach and volunteered his time to several City groups.

2. **Approval of Minutes:** N/A

3. **Agenda Additions, Changes, Deletions:** Vice Mayor Sutton requested adding Armand Messina, FIRM Board Member, to the agenda to request funds to address windstorm insurance increases.

MOTION: Motion made by Vice Mayor Sutton, seconded by Commissioner Pettorini, to add Armand Messina to the agenda.

ON THE MOTION: Unanimous approval.

4. **Special Requests:**

Armand Messina, Mr. Messina a member of the Board of Directors for FIRM (Fair Insurance Rates for Monroe County) reported FIRM recently went before the Florida Office of Insurance Regulation (OIR) to explain why Monroe County should be deleted from a proposed 8.9 % rate increase proposed by Citizens Property Insurance Corporation (Citizens) for windstorm coverage. OIR approved this rate increase without discussion. This translates to a 12 to 15 % rate hike for windstorm premiums. Building codes require structures withstand 180 mph winds. Monroe County pays the highest rates per capita and has the least amount of claims. FIRM sent a letter to Citizens requesting a recalculation of the Monroe County rate giving greatest consideration to Risk Management Solutions (RMS) model's average annual residential windstorm losses projection; to adequately account for Monroe County's geography; to adequately account for premium versus loss experience; to adjust its overhead application; and to propose new rates to OIR for Monroe County. FIRM asserts the rates are excessive, unfairly discriminatory and not actuarially sound. The next step is to request an administrative hearing in front of the Insurance Board if Citizens does not respond favorably to the letter. Attorneys have informed FIRM this can cost \$150,000. FIRM is seeking funds from Monroe County and local communities to help out. FIRM is asking Key Colony Beach for \$10,000. Vice Mayor Sutton reminded Mr. Messina Key Colony Beach is a very small city and it does not have this type of funding in the budget. There is a contingency fund for unforeseen expenses in the amount of \$20,000 for the entire year. Mayor Ellis said we should look at what has been done in the past and that could shed some

light on what can be done in the future. Commissioner DeNeale noted Key Colony Beach is 1% of the Keys. When State revenues are shared Key Colony only receives 1 to 2%. City Clerk McCullough was instructed to research previous contributions to FIRM and to place the issue on the next agenda for action. Vice Mayor Sutton asked Mr. Messina for FIRM pamphlets that could be distributed to Key Colony residents who may wish to contribute on an individual basis. Mr. Messina suggested interested citizens visit www.firmkeys.org for additional information. Commissioner Pettorini asked if Citizens is still the only company issuing wind insurance policies. Mr. Messina said Citizens used to be the only option however one or two more companies may now be issuing wind policies however he is not sure if those companies are charging the same premiums or not. He reported dealing with several insurance companies through his business, AM Shutter Company, and most went out of business in 2010. Vice Mayor Sutton suggested home owners research insurance companies and only deal with those that have an A or A+ rating.

Request Marble Hall Fee Waiver on 02/14/2017 for Paradise Quilters. Marie Sweeny told the Commission the Paradise Quilters Guild will hold a biannual quilt judging in Marble Hall on 02/14/2017 and are requesting a fee waiver for that date. Several members of the Guild are full time residents of Key Colony Beach and attend the Crafty Ladies group sponsored by the Recreation Committee. Insurance coverage is in place to cover the event.

MOTION: Motion made by Commissioner Pettorini, seconded by Vice Mayor Sutton, to waive the fee for the Paradise Quilters judging on 02/14/2017.

ON THE MOTION: Unanimous Approval.

5. **Committee and Staff Reports:**

A. Marathon Fire/EMS – Chief Johnson reported 4 medical calls and one internal fire alarm call at the Sea Isle Condo since the last Commission. Marathon Fire is working with the City Building Department and the condo association to correct issues at that this structure. Fantasy Fest is upon the Keys with increased traffic. He cautioned everyone to drive patiently and to allow extra time to reach your destination. School buses will be staged at the west end of the airport to shuttle “Halloweeners” in and out of the neighborhood behind the airport on October 31, 2016 in an effort to cut down on vehicle traffic in the area.

B. Recreation Committee – No Report.

C. Beautification Committee – No report.

D. Disaster Preparedness Committee –No report.

E. Planning & Zoning Committee –No report.

F. Utility Board –

1. Approve request to advertise for bids to clean and camera the City sewer lines. Lyn Walsh explained the Utility Board (UB) is looking for direction from the Commission. The UB has a proposal of \$79,000 from Shenandoah Construction to clean and camera the sewer lines through the entire city. The Board is recommending the City go to bid for this project to hopefully get a better price. Commissioner DeNeale told Ms. Walsh the UB does not need City approval to go out to bid. Vice Mayor Sutton a lower bid is necessary as \$79,000 is \$19,000 over budget for the entire line item. He asked Plant Operator Evans if half of the City could be done this year and half next year. Ms. Walsh reported this is a maintenance issue that has not been done in over 10 years. FEMA paid for it then as it was an issue related to a storm. Ms. Walsh also reported this should be done every 5 years and suggested it be included in the budget. Vice Mayor Sutton knows it had been in the budget for this fiscal year however drastic budget reductions were necessary to qualify for a Department of Environmental Protection loan

for the sewer plant improvements. Mayor Ellis said Shenandoah may come in with a lower price if the project is put out to bid. Commissioner Tracy asked if the \$79,000 proposed price is \$19,000 over what was budgeted. And is the price this high because the maintenance has not been done. Vice Mayor Sutton answered no, the length of time should not affect the price. Ms. Walsh restated the maintenance is recommended every 5 years however should not go over 10 years. Ms Walsh thanked the Commission and will ask the UB to put the project out for bids.

2. Notification of US Water Contract annual COLA adjustment. Mayor Ellis reported the US Water contract will increase from \$13,691 to \$13,910 per the annual COLA increase provided for in the agreement.

G. Police Department – Chief DiGiovanni reported 3 medical and alarm calls since the last meeting. The Police Department also responded to 9 assistance calls from MCSO, in addition to 10 miscellaneous calls. The Police Department issued 4 code enforcement warnings and 5 traffic warnings since the last meeting. 13 Cuban refugees landed on an empty lot on Coury Drive on October 17th. The refugees were transferred to Border Patrol for processing. Officer Griffith has returned from vacation so the Chief will resume his normal schedule. Chief DiGiovanni also reminded everyone it is Fantasy Fest weekend so be extra careful especially if traveling north on Sunday and allow for extra time to reach your destination.

H. Building and Public Works – Building Official Borysiewicz reported a permit has been issued for a new single family residence at 290 13th Street. Submittals for the wastewater treatment plant improvements have been received from the contractor and subcontractors and are being reviewed by Mittauer & Associates. The first aspect of the project is the installation of 146 concrete pilings. The pilings have been approved and produced and are awaiting shipment. The general contractor will hire a surveyor to lay out the placement of the pilings. Randy, Marathon Seawall, will drive the pilings. There will additional supervision during the installation of the pilings. Assistant Building Official Britske reported that he has completed inspections for 479 of the 526 vacation rental units and for 97 of the 127 long term rental units. “There is light at the end of the tunnel.” The public works crew have been busy trimming trees inside the wastewater plant and around the City in addition to their regular duties. The mangroves on the causeway have been trimmed in preparation for the holidays and the return of the winter residents.

I. City Secretary/Treasurer – Commissioner Pettorini reported fiscal year 2015/2016 has ended with the City in a very good financial position. Revenues are 11.5% over budget for the current year and 12.7% over fiscal year 2014/2015. Expenses are under budget by 3.1 % for the current fiscal year and 6% under budget for fiscal year 2014/2015. These are good trend indicators and demonstrate good stewardship of the taxpayer dollars. Commissioner DeNeale questioned why the reserve for public works pickup trucks was under funded by \$14,000. City Clerk McCullough explained 2 pickup trucks were purchased with the transfer of funds from other line items. Commissioner DeNeale asked why only half of the lateral reserves were funded in the Wastewater budget. City Clerk McCullough will look at that, a journal entry must have been missed. The City’s accountant will be in the office this afternoon to insure all transfers, journal entries and closing entries have been completed and are correct.

J. City Clerk - City Clerk McCullough introduced Utility Clerk Blanca Kulig. Blanca and Becky Todd, Assistant City Clerk will attend the commission meetings, as schedules permit, to implement staff cross training. City Clerk McCullough thanked the Commission for providing for her attendance to Fall Seminar of City Clerks. It was very beneficial, she learned a lot.

6. **Unfinished Business:** None

7. **Commissioners Open Discussion:** Commissioner Tracy wants to discuss Amendment 1 which is on November 8, 2016 ballot regarding Solar Energy. In Commissioner Tracy's opinion the way the amendment is worded makes it sound like a good thing when in fact it may not be a good thing. Mayor Ellis reported editorials on Amendment 1 that go in both directions. There is something confusing about this Amendment therefore he will do some research and read the fine print very carefully before he decides which way to vote.

8. **Items for Discussion/Approval:** None

9. **City Administrator Items for Discussion/Approval:**

A. Stormwater Project Phase 7 Mayor Ellis noted a discrepancy in the documents received from the South Florida Management District (SFWMD) and asked the City Clerk to look into getting it corrected. Vice Mayor Sutton discussed many issues with the time frame for the project. He strongly suggested a call be placed to Nestor Garrido, SFWMD contact for the project, to establish a rapport between the City and the District. From the paperwork received it appears SFWMD considers Phase 7 will complete the entire stormwater project in the City, however, it will only complete 12th Street. Vice Mayor Sutton discussed this with Grant Writer Christine Weens who said a grant amendment can be submitted. This grant is for \$100,000 of an anticipated 12th Street project cost of \$500,000. The City has \$400,000 in funds to finish 12th Street. Ms. Weens has applied for 2 other grants which could also be used for this project. These grants should be awarded in 02/2017 and 03/2017. Mayor Ellis reminded the Commissioners they were provided a list of the grants that have been applied for. Ms. Weens uses the same program to evaluate grants as the State agencies use. She will not submit a grant application that does not score well in this program. The City stands a better chance of a high score because of this program. Commissioner DeNeale reported there is 1.5 million dollars in the Capital Budget to complete stormwater. The funding needs to be considered as total for completing the project in the next couple of years. In addition to the funds Vice Mayor Sutton mentioned and possible grants, the City might need to apply for a loan. Commissioner Pettorini asked how it was determined it would cost \$500,000 to complete 12th Street. Building Official Borysiewicz said Mike Tibble, Mittauer & Associates, estimated the cost for completing 12th Street. Lyn Walsh asked if there is a time limit for completing the Stormwater projects. Mayor Ellis answered yes, there are time limits and the project is driven by those time limits. Commissioner DeNeale said the stormwater revenues are enough to qualify for a loan without raising the annual rate to the residents. Vice Mayor Sutton reported the first grant report is due on 12/30/2016, which is very tight, therefore, he authorized Mr. Tibble to proceed with the plans for 12th Street as the Mayor was out of town.

B. November 10, 2016 Commission Meeting: Mayor Ellis reported it is not necessary to reschedule the 11/10/2016 Commission Meeting. There will be three Commissioners present, which is a quorum, therefore the meeting does not need to be rescheduled.

10. **Ordinances and Resolutions:**

A. Ordinance 451-2016 Amending Chapter 14, Article III Section 14-7 Membership Attorney Wright read the ordinance by title only. Mayor Ellis explained the reason for the change in this ordinance is primarily because it has been difficult to find a volunteer to fill the Treasurer position on the Utility Board. A volunteer has stepped up for this position. He is an accountant, he serves a Treasurer for a Key Colony Beach condo

association and he is associated with a Marathon accounting firm. He has the background and he is a resident but he is not here year round. The current ordinance would exclude him from board membership for that reason. The Utility Board is in support of this ordinance change. Vice Mayor Sutton was in attendance at the Utility Board meeting when this discussion arose. The UB was in favor of adding this person to the Board however the current members were concerned about the residency requirement. Vice Mayor Sutton informed the UB they could request a change in the ordinance. A sentence could be added to the ordinance allowing the Commission to waive the residency requirement when the Commission felt it was in the best interest of the City. Confirmation on an ordinance amendment was received from Attorney Wright. Vice Mayor Sutton suggested the last line that has been added to this ordinance. Mayor Ellis said the full time residency of the City is shrinking and he believes this is the trend not just a temporary spike in the numbers which is another reason to amend the ordinance. Commissioner Tracy asked how long is this person in the City. Vice Mayor Sutton answered he is here 7 to 8 times though out the year for a week to 10 days at a time. He will try to arrange his schedule to be here for the UB meetings but if he cannot he will attend by telephone. Attorney Wright said if the ordinance passes it will still be preferred that a UB member be a full time resident, however, the change gives the Commission more flexibility in approving Board membership.

MOTION: Motion made by Vice Mayor Sutton, seconded by Commissioner Tracy, to approve the first reading of Ordinance 451-2016 with the changes provided in the handout and the word residency inserted before the word requirements in the last sentence.

Discussion: Resident Tucker DeGraw asked if the ordinance change applied to all the boards and committees in the City. The answer is no, this ordinance change only applies to the UB. Commissioner DeNeale reported he has been approached by several citizens concerned with 'watering down' the residency requirements for this very important Board. He also reported he was concerned about removing the word MUST from the ordinance. However he is more comfortable with the change after seeing the modifications to the ordinance and based on the fact that UB members are only appointed for a one year term. He feels it is important to have a Treasurer on the UB with a strong accounting background.

ON THE MOTION: Roll call vote. Unanimous approval.

11. **Warrant Approval:** N/A

12. **Commissioner's Reports or Comments:**

Commissioner Tracy asked if there has been any discussion on the significant increase in the iguana population. Commissioner DeNeale agrees the iguanas are getting out of control. He reported Bahia Honda State Park has hired a hunter who tracks them at night, shines a green light in their eyes, then lassos them. There are options that can be looked at. Maybe educate the public. When asked, Building Official Borysiewicz reported the city has about a dozen traps to lend out. Mayor Ellis reported trying a trap but he only caught possums and raccoons. Commissioner Tracy asked if the iguana has been declared a nuisance. Commissioner DeNeale responded no, but they are an exotic species. Vice Mayor Sutton said you have to be careful when killing an iguana, it must be done humanely. Attorney Wright said iguanas were not seen in the Keys in earlier days, however the population has proliferated and now they are everywhere. His understanding is you cannot torture them or inflict unnecessary pain when killing them, in other words you cannot be cruel in destroying them. Commissioner Tracy reported seeing dead iguanas on the roads. Mayor Ellis said the public works crew removes dead iguanas from

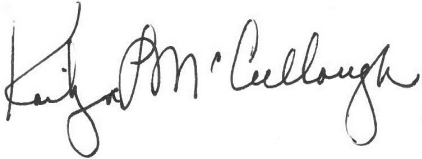
the roadways and disposes of the carcasses. Commissioner Tracy has also been informed one of her neighbors is feeding them. Commissioner DeNeale suggested an educational pamphlet be developed and be included with the next sewer bills. Chief DiGiovanni reported an exterminator that will come in and shoot the iguanas, however, he can only go on private property if approved by the owner. Chief could only support this extermination method in areas where there are no close neighbors as an example in the 15th Circle area. Commissioner DeNeale reminded everyone the clocks will be set back on Sunday November 6th.

13: **City Attorney Report:** No report.

14: **Correspondence & Citizen Comments:**

Resident Tucker DeGraw reported being approached by several people questioning the need to hire a city administrator. Commissioner DeNeale said he wrote an issue paper on the subject. Commissioner DeNeale said anyone with questions are welcome to call him.

The meeting adjourned at 10:40 A.M.

A handwritten signature in black ink, appearing to read 'Kathryn McCullough', written in a cursive style.

Respectfully submitted,
Kathryn McCullough, City Clerk

Note: These minutes are unofficial and have not been formally approved by the Commission. The approval will be at the next scheduled Commission meeting.