

MINUTES
KEY COLONY BEACH
CITY COMMISSION REGULAR MEETING
Thursday January 24, 2019 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 DeNeale at 9:35 a.m. followed by the Pledge of Allegiance and Prayer.

Present: Mayor John DeNeale, Vice Mayor Ron Sutton, Secretary/Treasurer Patti Trefry and Commissioner April Tracy. *Also Present:* City Administrator Chris Moonis, City Clerk Kathryn McCullough, Utility Clerk Pat Hyland, City Attorney Tom Wright, Building Official Ed Borysiewicz, Building Official Gerard Roussin and Police Chief Kris DiGiovanni. *Excused:* Commissioner Jim Pettorini and Fire Chief John Johnson.
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2. **Approval of Minutes:**

The minutes of the December 13, 2018 Regular Commission Meeting, the January 10, 2019 Regular Commission Meeting, and the January 10, 2019 Public Hearing were approved by acclamation.

3. **Agenda Additions, Changes, Deletions:** - None

4. **Special Requests:**

A. Canal Dredging – Jack Maslar, 15th Circle resident, introduced himself and explained he was there to address possible canal dredging of the 15th Circle canal. He passed pictures. This canal is a haven for iguanas and mosquitos. Pam Nada-Caley, 15th Circle resident, passed pictures from the Property Appraiser’s Office showing the canal was open in 1979 – 80. The canal has closed in overtime and is getting progressively worse. City Administrator Moonis reported seeing the canal and said it is ‘swampy’. He recommended the effected residents present a plan and budget, including how much the residents will fund, to the Commission. Maintenance dredging is easier but it is still a concern to environmental groups. It has to be resident driven. City Administrator Moonis commented this is a good first step. City Attorney Wright reported he represented the developers in the 1980’s. There were deed restrictions placed on those disallowing the construction of docks. The developer held ownership of the canal. Pam Nada-Caley said deed restrictions expire after 30 years. In 2013 Mayor DeNeale, belonged to an environmental group, and presented a plan to them to keep the canals open.. City Attorney Wright cautioned against doing anything without the permission of the canal owner. Mayor DeNeale stated it is very difficult to obtain a permit for canal maintenance. The mitigation costs can double the cost of a project. Eric (last name inaudible on tape) said he is a retired dredger who worked on Pier 66 in 1961. He reported the canal is 80% closed with deep muck and silt on the bottom of the canal. He said 25% of the bottom, 56”, can be dredged without permit. We don’t need to ‘dig to China’. A barge is used and you stay away from vegetation. This can be done for a 1/3 of the cost. Mayor DeNeale stated the water quality in the canal had previously tested good, therefore the canal didn’t

need to be opened at that time. He suggested another test be done to determine the water quality now. Mayor DeNeale directed Mr. Maslar to prepare a plan, including mitigation costs, for submittal to the Commission.

5. **Committee and Staff Reports:**

A. Marathon Fire/EMS: No report.

B. Recreation Committee: No report.

C. Beautification Committee: David McKeehan, Beautification Committee board member requested Commission approval for “Hot Dogs in the Hut” on February 23, 2019 at Waterfront Park. There will be free hot dogs, beer, wine, soft drinks. There will also be a disc jockey. A raffle will be held. The Commission approved the event by acclamation.

D. Disaster Preparedness Committee: No report.

E. Planning & Zoning Board: No report.

F. Utility Board:

1. Approval of Amendment to Grant Agreement No. LP44012 Tom Harding, Utility Board Treasurer, explained this agreement, with the Florida Department of Environmental Protection (DEP) is to increase the grant amount by \$366,667. The additional funds must be used by June 30, 2021 and must be used for wastewater improvements.

MOTION: Motion made by Vice Mayor Sutton, seconded by Commissioner Tracy, to approve Amendment No. 1 to Grant No. LP44012 between DEP and the City of Key Colony Beach.

ON THE MOTION: Roll call vote. Unanimous approval.

2. Florida State Revolving Fund Interest Rate Reduction Tom Harding, Utility Board Treasurer, reported this request is for the City Commission is to approve the following ordinance change under the current section for the Utility Board; (this will allow a reduction of the interest rate for the loan by 0.1%, and has been approved by the Utility Board on January 15, 2019). The interest rate reduction would save \$5,250.92 per year and \$105,018.32 over the life of the loan. The suggested change to Ordinance 14-50 (5) Utility Board Duties, Responsibilities and Authority would include the addition of the following: “Long term capital equipment and maintenance to be reviewed yearly using a Fiscal Sustainability Plan. Appropriate funding to be reviewed and agreed upon through use of revenue, excess reserves, utility rate increases, and if necessary low interest loans. The Utility Board will keep the Fiscal Sustainability Plan updated on a yearly basis and provide input to the annual budget based on review of the Fiscal Sustainability Plan.” Mayor DeNeale directed staff to prepare the Ordinance for a first reading at the February 14, 2019 Commission Meeting.

3. Wastewater Treatment Plant Contract Tom Harding, Utility Board Treasurer said the current agreement for day to day operations of the wastewater plant is with US Water on a month to month Extension Agreement. Request for

Proposals (RFP) were sent out and opened on Tuesday Jan 22, 2019. The proposals were reviewed by the City Manager and the Utility Board. A recommendation was agreed upon at a Special Utility Board Meeting on Wednesday Jan 23, 2019. Two contractors responded to the RFP, i.e. US Water and Conch Wastewater Inc. The Utility Board reviewed the proposals on the following criteria; 1. Experience/Qualifications/References, 2. Pricing/Staffing, 3. Project Approach/Plan, and 4. Availability. The Utility Board recommends awarding Option 2 of the RFP to US Water for an annual management fee of \$181,320.00 and plant operator rate of \$75/per hour and mechanical labor of \$65/per hour. Option 2 is for full system responsibility of the wastewater plant and all the lines going to the plant including the manholes. City Administrator Moonis will negotiate the final contract details with US Water. City Attorney Wright will review the contract. This contract is in line with the 2018-2019 budget.

MOTION: Motion made by Vice Mayor Sutton, seconded by Commissioner Trefry, to award the contract for the operations of the wastewater treatment plant to US Water, Option 2, with an annual management fee of \$181,320 for full system responsibility and all the lines going to the plant including the manholes. The contract includes a plant operator rate of \$75/per hour and a mechanical labor rate of \$65/per hour.

DISCUSSION: Mayor DeNeale asked, with Option 2, what would be left as City responsibility. Tom Harding answered nothing. Option 2 covers all the lines and the manholes. Vice Mayor Sutton asked if repairs, such as the pumps, are additional expenses. Tom Harding answered yes. There are additional fees for additional work. One of those additional fees would be for pump exchange. City Administrator Moonis reported, with this contract, the City would be taking a broader look at the non-routine expenses. The new contract gives the City a review and approval process of non-routine costs with the exception of an emergency. Depending on the issue, it will be decided if City staff or a contractor could handle a non-routine repair. Jeff Sharpe, Conch Wastewater, said his bid was the low bid on Option 1. He said in Option 2 the US Water bid for a project manager was \$75/ per hour with no cap on the number of hours. The project manager at 10 hours per day could cost \$4,800 per month. He said if they ‘crunched the numbers’ Conch Wastewater would be low bid on Option 2 also. City Administrator Moonis disagreed with Mr. Sharpe’s statement. City Attorney Wright said the City is not obligated to accept the low bid. Other factors can be taken into consideration. Mayor DeNeale thanked the Utility Board for an exceptional job.

ON THE MOTION: Roll call vote. Unanimous approval.

G. Police Department: Chief DiGiovanni introduced Jamie Buxton as the new daytime police officer. Jamie has 3 years of law enforcement experience with the Monroe County Sheriff’s office. She has been a Keys resident for 4 years. She is married and has 2

children. Jamie will officially start on January 28, 2019. She will be officially sworn at a future Commission meeting. Chief DiGiovanni reported a traffic arrest on Sadowski Causeway, found property (handed in by a resident) and a vehicle accident at the Monte Christo since the last meeting. The Police Department has responded to 5 medical calls, provided backup the MSCO 15 times and answered 7 miscellaneous calls. The Police Officers issued 1 traffic citation, 8 traffic warnings and 3 code violations. There was 1 text message and 1 email to the Tipline. The Police patrol vehicles have been delivered and issued to the officers. Two AED's have been ordered for the new police cars and will be paid for from Impact fees. The Chief's car has been ordered. Key West Boat Company is expected to ship the patrol boat from South Carolina on February 15, 2019. Within a week, or so, after that the engine should be rigged and the boat functional. Chief DiGiovanni reported the Coconut Crawl will begin at 1:00 p.m. at Waterfront Park on Saturday. He asked everyone to be careful with the additional walkers and bicyclists on the streets. He reminded everyone to call the Police if they need a ride home.

H. Building Department/Public Works:

Building Official Roussin reported the renovations at the Public Works garage are almost complete. A separate lockable bay has been created for the Police Department. The garage is organized so you can easily find what you are looking for. Public Works are still working on irrigation systems and electrical issues. They are also cutting down dead trees. Building applications have been submitted for 4 new single family homes. He reported investigating a new computer program for building permits, code enforcement and commercial licenses, including vacation rentals. City Clerk McCullough said there will be a live demonstration of the program, in her office, at 11:30 a.m. on January 30, 2019. Commissioner Trefry asked why the food truck was still in Havana Jacks parking lot since the kitchen became operational in December. Building Official Roussin answered he didn't know but he will get an answer.

I. City Secretary/Treasurer: Commissioner Trefry reported as of January 4, 2019 84% of the ad valorem tax had been collected. This means income will come to a 'screeching halt' shortly. This fiscal year budget is relying on \$1.6 M from FEMA and insurance reimbursements. To date only \$7,400 of those funds have been received. Commissioner Trefry said the City is doing a good job keeping expenses in line. The profit and loss statement currently shows a profit of \$587,000 year to date. Unfortunately she expects to show a loss in the next few months without the FEMA/Insurance reimbursements.

J. City Clerk: City Clerk McCullough introduced Utility Clerk Pat Hyland. She has been very much involved with the bid process for the wastewater treatment plant and was interested in following it through to its conclusion. She reported the training for the Fixed Assets program has been scheduled. Becky now has a desk top scanner which she is testing and so far she loves it. Beverly is scanning the commercial licenses. We are slowly inching away from paper. Pat is working on the past due sewer accounts.

K. City Administrator:

1. Golf Course Lease Mayor DeNeale requested the Golf Course lease be tabled until the next meeting to give the Commissioners time to review it. Cynthia Cato, President of the Womens Golf League, reported they are the most active group at the Golf Course. The League has been in existence for 40 years and is growing. The group

is almost at full membership, with 6 new members this year. She offered the League's assistance in any way needed. City Administrator Moonis said he has included many of Cynthia's suggestions into the lease. He asked her assistance in reporting any issues to him.

2. IBTS – Contract Clarification Addendum City Administrator Moonis reported, at the last Commission meeting, the reason for the addendum to the IBTS contract is to clearly define how payment to IBTS will be processed. He had not received the addendum in time for the last meeting. He has it now and he recommends Commission approval.

MOTION: Motion made by Commissioner Tracy, seconded by Mayor DeNeale, to approve the addendum to the IBTS contract.

ON THE MOTION: Motion approved by acclamation.

3. 7th Street Diagonal Parking for Clam Bake. City Administrator Moonis reported the Fishing and Boating Club is requesting approval of diagonal parking along 7th Street on February 18th, 2019, Presidents Day, for their annual clam bake. Approved by Commission consensus.

6. Commissioners Open Discussion: None

7. Items for Discussion /Approval:

A. Appoint Cheryl Boehm to the Code Enforcement Board. Mayor DeNeale told the Commission he had received an offer from Cheryl Boehm, a full time resident, to fill a vacancy on the Code Enforcement Board. Mayor DeNeale explained there are over 40 volunteers that assist in running Key Colony Beach.

MOTION: Motion made by Commissioner Trefry, seconded by Vice Mayor Sutton, to appoint Cheryl Boehm to the Code Enforcement Board.

ON THE MOTION: Motion approved by acclamation.

B. Legislative Meeting Discussion. Mayor DeNeale reported State Senator Anitere Flores and State Representative Holly Raschein come to Monroe County every year to meet with the local Government officials and the public to receive input for the upcoming Legislative session. He said everyone present at this years meeting asked their assistance is speeding up Hurricane Irma reimbursements from FEMA and the State. He presented the effects of Hurricane Irma on KCB and informed them taxes were raised 15%, and all capital project were frozen, in an effort replace just some of the depleted reserves. He told them the City is waiting on \$2,86 M in reimbursement. He detailed the current City debt and the revenue expected from ad valorem. He told them the City needs help obtaining the FEMA/State reimbursements and funding the repair/replacement of City Hall. He also requested they protect Home Rule and local control of vacation rentals.

C. Land Rights Attorney Opinion. Mayor DeNeale reported City Lobbist, Jerry Paul recommended the City hire a prominent land rights attorney because of all the issues with the State over building rights allocations and the Memo of Understanding (MOU) issues. Mayor DeNeale, Attorney Wright and City Administrator Moonis had a conference call

with the land rights attorney for his opinion. Attorney Wright said a proposal would be sent to him and he would bring it before the City.

D. City Hall Design Concept Mayor DeNeale reported he has a neighbor with a CADD program. The first question asked was what would be left if Marble Hall could be saved. That option would leave room for a 5,500 square foot building. This is just one of the things that could be done as the City moves forward.

8. Approval of Warrant: N/A

9. Ordinances and Resolutions None

10. Commissioner Reports Commissioner Trefry reported she was able to spend quite a bit of time with RMA Consultants two weeks ago. She is waiting for a report from them with their recommendations.

12. City Attorney Report: City Attorney Wright said there is no pending or threatened litigation at this time.

13. Citizen Comments and Correspondence: City Clerk McCullough reported no correspondence.

Joe Turgeon, 320 9th Street, asked for Commission approval for the 7 Meter (not Mile) Bridge run over the Sadowski Causeway Bridge on March 15th, 2019 at 2:00 p.m. Chief DiGiovanni said he had no issues with the race. The Commission agreed, by consensus, to approve the 7 Meter Bridge run on March 15, 2019 at 2:00 p.m.

Paul Cole, 8th Street resident, asked the Commission plan if the FEMA reimbursement are not received. Mayor DeNeale said the budget would be cut, just like it was for Hurricane Irma. Mr. Cole said it sounds like the City is broke. Mayor DeNeale and Commissioner Trefry assured Mr. Cole the City is NOT broke.

The meeting adjourned at 11:00 a.m.

Respectfully submitted,



Kathryn McCullough, City Clerk