

Brevard County Board of County Commissioners

*2725 Judge Fran Jamieson Way
Viera, FL 32940*



Minutes

Thursday, February 18, 2021

1:00 PM

Budget Workshop

Florida Room

I. CALL TO ORDER 1:00 PM

Present: Commissioner District 1 Rita Pritchett, Commissioner District 2 Bryan Lober, Commissioner District 3 John Tobia, Commissioner District 4 Curt Smith, and Commissioner District 5 Kristine Zonka

a. Budget Overview

Frank Abbate, County Manager, stated staff will present the first of two Budget Workshops today, the second is scheduled for April 15; the Board will see today that staff has continued its focus on Board priorities and objectives that this Board has established over the last several years, formally or during Board discussions, as critically important for the community, for Brevard County, and for the organization moving forward; the Board knows one of the important areas that staff has focused on over the last several years is infrastructure; and the Board is going to hear more about that today, particularly in the area of roads and four areas, maintenance, reconstruction, bridge, and capacity. He continued on to say in dealing with roads and Public Works, the Citizen's Budget Review Committee has been active with the County, in the last two years especially, in providing input and dialogue with staff; staff has incorporated several recommendations that were made over time; staff has a focus on five-year planning moving forward; that type of strategic thinking and that approach to this Workshop and the presentations that the Board is going to hear was developed, at least in part, from input and support that staff received from members of the Citizen's Budget Review Committee; and what staff has done organizationally, where staff is at today, where the County is going, and where staff thinks the Board wants them to go is what the Board is going to hear in each of the various presentations that are being brought forward today. He noted the Public Works presentation that the Board is going to hear today was given to the Citizen's Budget Review Committee, and staff valued the input they provided, and they tweaked that presentation which became the model for the other presentations that the Board is going to see; the Board will hear from Public Works first; Marc Bernath, Public Works Director, is going to give his presentation and then right after that they are going to spend just a little time on the issue of the \$15 minimum wage that has gone through and how that is going to impact the County organizationally, specifically from a five-year perspective, and how it will impact the organization from a fiscal perspective; that will be very brief but staff wanted to provide that; when staff is done with that they will go to another area that this Board has focused on in the last two years, which is Public Safety, and specifically Fire Rescue; and the Board will see that staff has been planning and is going to be addressing the issue of attrition, overtime, and salaries, specifically in the area which is critical to move things forward of where staff is at with the Fire Assessment. He added staff actually went beyond the five-year approach in this, it is a seven-year approach; they have been looking at it for over a seven-year period and they will provide the Board with a variety of options to give staff direction to move forward; staff will need that direction so that it can bring back a fire assessment which is really going to be the catalyst for them to be able to do the things that staff will be talking about; and they have to get that information from the Board so they can put out the public notice, come back to the Board to get the assessment rate to put it in place for October, which gives staff the opportunity to move things forward. He mentioned the other aspect he wanted to talk about is to the credit of the firefighters, last year if anyone can recall, the Board was ready to address the fire assessment in a minor way, that minor way being to accelerate the increases that had been discounted over time, and he was ready to do that and bring it back to the Board in March, but as everyone knows, in March COVID-19 hit and everything became very uncertain at that time; to staff's credit, they waited and did not bring that forward for the community, so the County still has part of what it would have gotten there; they have incorporated that into what the Board is going to

hear today in terms of whether staff really needs to address those three important issues of attrition, over time, and salaries; and he noted Colonel Wallace, Public Safety Director, will be giving that presentation. He stated utilities is another area that the Board has indicated is critically important moving forward for a variety of reasons; one, from what the County dealt with in 2017 with Hurricane Irma and the discharges that occurred, and how to address those and eliminate the potential, or reduce the potential, discharges and breaks in the system, etcetera; staff is going to come forward today and Eddie Fontanin, Utility Services Director, will be addressing it in the same kind of format that he has discussed, of what staff intends to do over time, where the County is at today, and what it will have to do to the utility rates to be able to protect the Indian River Lagoon (IRL) as best as it can to address infrastructure needs, both in terms of capacity moving forward, but also to address a system that has significant maintenance needs and how Mr. Fontanin plans to address that over the next seven years; and staff wants to see if that is the direction the Board wants him to go. He went on to say staff will be addressing all those issues and it will be looking for input and direction by the Board on what is the right path to move forward in these critically important areas; staff is hoping to get the Board's confidence that the County has been good stewards of the resources it has, up to this point in these different areas; staff will be very attentive to the comments that the Board makes today and how it moves things forward in preparing for the budget and addressing these areas; and now he will turn it over to Jill Hayes, Budget Office Director, who will give the Board a very brief overview of the budget in general, and then staff will get into those areas that he brought to the Board's attention.

Jill Hayes, Budget Office Director, stated she is going to provide a very brief overview of the Fiscal Year 2020/2021 adopted budget; then she will review where the County is at in terms of the Consumer Price Index (CPI) which is tied to several of the County's revenue sources; and then staff will move right into the strategic priorities that Mr. Abbate outlined in his introduction. She explained the Fiscal Year 2020/2021 adopted budget is just under \$1.5 billion and Florida Statutes requires that the budget must be balanced, including all new revenues received and balances brought forward from prior years; as the slide shows, in the blue section is approximately 44 percent of the County budget, the balance is being brought forward; this is not new money, but government funds can be carried forward for a variety of reasons, including revenues received in prior years, projects not yet complete, and funding set aside in reserves; the operating revenue in green represents the new dollars being brought into the government; this includes property taxes, permits, fees, special assessments, charges for services, and she is going to go over that in more detail on the next slide; transfers are in the orange section and it represents funding being allocated from one fund to another to support certain programs and services; and then the financing is primarily a Utility Services State revolving loan. She went on to say this \$771 million represents the operating revenue of the budget, so that is about 52 percent, and the new money coming in; because in governmental accounting, revenues are received for specific purposes, they have to be categorized into individual funds and fund groups so the General Funds, shown in green, represent the funds that can be used for any governmental purpose and is really where there is the most discretion; the Special Revenue Funds, in pink, account for revenue sources that are restricted for specific purposes, so the Save Our Indian River Lagoon Trust Fund, gas taxes, and Tourism Development taxes are all considered Special Revenue Funds; Enterprise Funds, in blue, account for those goods and services that operate like a business, so that is Utility Services and Solid Waste where they are receiving charges for services; and there is Capital Improvements and Debt Service funds, where most of the Capital projects are funded by Special Revenue funds and Enterprise Funds. She continued by saying she wanted to highlight the sources and uses of the General Fund which is approximately \$253 million of the total \$1.5 billion budget and that is where the County has the most discretion; she pointed out on the left side of the chart is the revenue sources and this year, as staff developed the Fiscal Year 2021 budget, they reduced some of the estimates

for the local half-cent sales tax and the State-shared revenue based on the COVID-19 impacts; she mentioned those impacts were less severe in Brevard County than staff had initially projected; as the County moves into the next Fiscal Year it will be reassessing those as it develops the budget; and the right side of the chart represents how those General Fund dollars are appropriated. She added 69 percent of the General Revenue Funds goes to support Charter Offices, Court Operations, mandates, and other obligations; about 16 percent of the General Funds are allocated to public safety and infrastructure which have customarily been identified as core services; and that leaves about 15 percent to fund other General Fund programs such as Parks and Recreation, Information Technology, General Government, and other support services. She stated Section 2.9.3.1 of the Brevard County Charter, limits growth in ad valorem tax revenues to the lesser of the three percent or the change in CPIs; this chart illustrates where the County has been since 2011 in terms of changing CPI; this year as staff develops the Fiscal Year 2021/2022 budget, staff is looking at a change in CPI of 1.234; when looking at the General Countywide ad valorem revenue, that 1.234 percent is equal to just under \$2 million in new General Fund revenue coming from existing properties; that does not include new construction, however, staff will not have those preliminary numbers from the Property Appraiser's Office until about June; as property values rise, staff can anticipate that they will have a lower General Fund millage rate due to the Charter cap so that will be a lower millage rate to apply to all the properties including the new construction; and she advised she will turn the presentation over to Marc Bernath, Public Works Director.

b. Public Works

Marc Bernath, Public Works Director, stated he has a bunch of slides that he is going to try to move very quickly through, but he will stop if anyone has questions; Public Works' mission is to maintain transportation and facilities infrastructure; at this point Public Works has 750 active projects and 1,224 miles of road; it is important to look backwards and forward to see where things were and determine where to go; back in 2007, the Board committed to long-term funding to address pavement concerns; in 2020, they remain focused on both maintenance and the backlog of that; and the one challenge that the County really had not faced was capacity. He continued on to say in 2021 the backlog continues to decrease; staff is implementing a new bridge program which he will share with the Board; he will discuss the mitigation plans and prepare a road preservation pilot for 2022; this slide is a brief overview of the 2021 major transportation funding sources; the total Public Works budget for FY 2021 is actually \$139 million; this slide does not delve into engineering survey or facilities, it is specifically focused on the transportation component and as the slide shows, \$123.8 million; and there is a laundry list of different grants, General Fund, franchise fees, and balance forward which enables them to do the projects that Public Works has undertaken. He went on to say the predominant fund is transportation revenue from gas taxes; that revenue fluctuates and depends highly on increased fuel efficiency and autonomous vehicle technology; and they have begun to see a trend where that might not be a good long-term strategy to base future funding for transportation. He mentioned this slide shows Brevard County's paved road statistics, percent by County of maintained roads in each District in both the graphical representation, as well as the table; this is basically a report card that is based on an independent assessment and shows that Public Works has made progress and a successful investment since 2011; there are 1,100 paved center-line miles of road, and the average Pavement Condition Index (PCI) is now at 80 for the County from back in 2011; and that was based on an independent Pavement Condition Assessment that was performed over the past year. He noted the next slide shows some transportation infrastructure accomplishments that Public Works completed over the past year; despite significant vacancies and resource constraints, Public Works has delivered on some big wins over the past year; on the where the County is today theme, road resurfacing and reconstruction goals have been met or exceeded for that last three years, as the chart shows the number of miles, as well as the Department's goals for this current year; he mentioned that

later in the presentation the Board will see the investment paying off and the dollars going towards this program are being well spent; as of today, they are at 35 percent complete or 26 miles for the FY 2021 Road Surfacing Program; and they completed 10 percent of the Road Reconstruction Program and are on track to meet or exceed goals. He noted, as originally laid out in the plan, they are still on track to meet the per District goals that were set out by the Board several years ago. He explained this slide shows three road maintenance categories, preventative, rehabilitation, and major rehabilitation and reconstruction; this shows continued progress towards driving down the backlog; the backlog is from the roads that are fair, in yellow, to failed, in grey; on the chart above it shows they have decreased that and the backlog stands at 267 miles; and they will continue to drive down that number throughout this year and in the following years. He added it is important to note that each year the County's road conditions continue to deteriorate on average of about two PCI points per year on local roads; over the next five years, if Public Works does nothing to continue the maintenance efforts that this Board has supported, they would see, of the yellow, 172 miles, an additional 98 of those would topple into the poor or pink category; as he indicated he will show in a future slide, Public Works has been working to tackle the backlog, mitigate the topple, and introduce the concept of preservation to be able to extend what is currently shown in blue and satisfactory categories; the cost is also important to highlight; at its lowest amount, if staff did preservation, they would see \$12,000 per mile to preserve the roads, however, when roads fall into disrepair and fall into the failed category it costs \$640,000 a mile for full reconstruction; therefore, it is important that staff take this next step to look at preservation as a pilot and make sure it works for them. He pointed out that the important thing is to move towards that because it is a lot cheaper; the last four years he has focused on a worst-first approach to keep at risk roads from falling into reconstruction; with Board support they have funded that and tackled the deferred backlog; that was needed at the time because of the amount of backlog there was; it is a very costly way to pursue managing the road network; and now that the road backlog is more manageable, staff can talk about pavement preservation going forward. He went on to say bridges were recognized in last year's budget submission as needing focus and attention, similar to roads several years ago; Brevard County currently has 47 vehicular and pedestrian bridges, including one swing bridge; 40 of them are inspected by Florida Department of Transportation (FDOT) every two years; roughly half of them are done every year as far as an inspection; and this past year staff has completed a Bridge Condition Assessment where they looked at the seven bridges that the County is required to inspect and they were able to determine the need for immediate and long-term repairs or replacement. He stated this also helped to create a first cut at budgeting and prioritizing; currently there is one new bridge under construction, which is the Pineda Causeway; it is substantially complete with just a few minor items, which are work transition, striping, and ITS integration, and they anticipate it being done later this spring; there are two bridge replacements that are in design, Micco bridge in District 3 and Sea Ray in District 2; for the upcoming year there are replacements, rehabilitation, and plan maintenance; the numbers on the slide are the numbers of bridges that have to be fixed, and on the right-hand side are the colors that correspond to the chart; and for example, Mathers Swing Bridge not only has a planned maintenance project but there is also a rehabilitation project. He stated switching to the major capital projects in progress, this slide shows a select few of the 27 capital improvement projects, which totals \$40.3 million in the current budget, being worked; he mentioned he just wanted to show that there are some great projects out there being done all around the County; there are an additional 646 non-capital road, bridge, and traffic projects, which in many cases, maintenance projects look like construction; on revenue per mile basis, what this next slide is showing is that the County has the most amount of lane miles, but receives the least amount of gas taxes on a per road mile basis from some of the surrounding counties; this information is based on publicly available information; what he does not have though, and staff knows for a fact that several of the counties surrounding Brevard County receive additional infrastructure sales tax or public service tax towards their roads, they have

attempted to get that information from fellow counties, and they were unsuccessful in doing that; accordingly, he just wanted to show an apples to apples comparison with the information he has; however, imagine for Seminole, Volusia, and Osceola County he knows that the amount is more with the infrastructure and the public service tax, he just is not sure how much, but they have the most amount of miles out of these four counties; and on a per mile basis, Brevard has the least. He commented that requirements continue to grow and out-pace available resources, not just from a purchasing power perspective, but from capacity as well as wear and tear on the roadways; he went on to say this next slide, going back to the theme of paving, resurfacing, and reconstruction, the numbers on this slide represent the proposed miles by categorization; the funding shown is flat and only increasing due to Consumer Price Index (CPI) and staff's best projection of what it anticipates receiving; preservation is the green area on the slide and it starts out very slowly; over the next five years, it continues to increase; the intent there, is staff wants to have a pilot program and ensure that they have both monitored and documented empirical data to support that preservation is working for them; and to be clear on preservation, that is effectively preventative maintenance. He added there is a number of ways to approach it; it really depends on the specific road, the volume of traffic, and the PCI to determine the type of product they would put down; what staff has seen with other municipalities is success; the intent there, going back to slide nine, is that staff could mitigate some of the topple, particularly the good or blue regions, from slipping in and continuing to topple down to ultimately a poor condition; at the end of the five-year cycle, staff anticipates reconstruction backlog to nearly be eliminated at the current funding levels; staff may be able to direct a portion of reconstruction back to over-capacity, but at this point, it is premature to say; and to be clear, preservation is not a panacea, staff still needs to perform some rehabilitation and limited reconstruction in perpetuity as roads will continue to topple from fair and satisfactory. He continued by saying, assuming preservation works for them, it will take many years to get to the point where all roads will be caught in time; there are roads now that are in the blue, or satisfactory, category that staff is not going to be able to get; the ideal time for treating roads and preservation is one to three years so they will not get to every road; and it will take some time to actually get to the heart of that. He went on to say currently the program and projections are heavily reliant on consultant support for road condition updates, backlog analysis prediction models, which are the future conditions, and multi-year budget analysis; if staff intends to request in its budget submission for the purchase of pavement management software and a full-time road management position to organize, manage, and drive selecting the right roads at the right time then they can garner savings, more importantly, they can be in the driver seat to make sure that they are effectively using County resources; and under the longer term strategy, he will show a little bit about the possibilities preservation may yield. He stated looking at the five-year forecast for bridges, as depicted in the previous bridge slide, Fiscal Year 2021's single biggest expense is the Sea Ray Bridge Project; the numbers are just as before, where it shows the categories; the additional category in this slide is projected maintenance and that is for future unplanned maintenance; now staff knows that it has a bridge program and it will be getting bi-annual reports about the bridges; there will be things that break that staff will need to fix so he has been very conservative and only planned \$74,000 per year for things like guardrails and other things that come up; if there is something major that comes up, obviously that will be unfunded, and staff will have to address it with the Board later; this plan will be part of his budget submission and, important to note, the large increase in Fiscal Year 2023/2024 is for Mathers Bridge recoding, otherwise, it is standard items that have been identified and prioritized by the hired bridge consultant; and in addition, he will focus on training and dedicate staff to manage the bridge program more effectively going forward. He commented switching into a long-term perspective, staff would begin transitioning from what has been a worst first approach to an optimization approach; the photo taken in 2018, shows the benefits that preventative maintenance may have; he explained this is a city road, not specifically from this area or the State, but it helps illuminate what preservation may be able to

do; back in 2004, the entire road was milled and overlaid; the left side received no additional treatments, but the right side received preservation techniques in 2010; eight years later the results speak for themselves and the right-side is clearly in better condition than the left-side; some research shows that for every dollar that is invested in preservation he can save at least \$4 to \$10 in rehabilitation or reconstruction costs; and additionally, optimization accomplishes protecting the pavement structure, slowing down the rate of pavement deterioration from UV, water seepage, and oxidation, and also staff can correct some pavement surface deficiencies. He stated moving to the long-term funding needs, when describing capacity it is based on thresholds of daily volumes corresponding to levels of service grades; traffic engineers grade the operation of road segments from level of service A to level of service F so there are six levels there based on the number of cars compared to the number of lanes and the level of service that is defined in the Department's Comprehensive Plan; in the case of level of service E and F, those mean that they are failing traffic operations and bumper-to-bumper traffic conditions; within the Brevard County Comprehensive Plan, they actually define their level of service as E, which is considered failing but is above level F; most agencies, including FDOT, have adopted a level of service of D as their standard and lowest acceptable level; it is important to note that most of our roads within the urban area boundary, which is mostly Brevard, is defined in the Comprehensive Plan as level of service E; only a few roads within rural areas are defined as level of service D; and the chart on the left shows the list of the unfunded nearing, at, or over capacity projects, and this is not some future number, this is actually what they are short today to identify and address. He explained these numbers are derived from Space Coast Transportation and Planning Organization (TPO) assessments; the assessments were actually done in 2019, pre-pandemic; staff then takes that data and calls out what is for the County; on the left side of the slide there are two categories, one is partially unfunded and the other is fully-unfunded; the partially unfunded is largely where there are grants for projects like Ellis Road, Hollywood Boulevard, and a couple others where there are State grants to do primarily designer right-a-way acquisition; and there is only \$7.6 million of County funds tied up in that, but the construction is wholly unfunded at this time. He continued by saying on the right side it shows the Traffic Management Center which is critical to future plans; to be able to mitigate capacity issues correctly is something that is needed; the State had previously said if the County designed it, which staff is currently in the process of doing, they would fund the construction; thus far, they have not seen the intent; staff will continue working at it; if they do not help, however, the County will have to look at it, if this is a priority for his staff; they will need to either look at it internally, or perhaps, with the Board's support, it would help to apply pressure to local municipalities, which would also benefit from it, to see if staff can get additional revenue sources from them; and today's unfunded dollars stand at \$581 million, the roadway improvements at \$572.8 million will be the basis of discussion in subsequent slides and reflects increased capacity requirements since the last snapshot that was provided, as well as some inflation and updated right-of-way costs. He added not depicted on the slide is additional staff capital equipment and other resources that might be needed if the County were to actually see any of the funding with the support of the Board; he went on to say sticking with the capacity, near or at capacity, he wanted to juxtapose the capacity issues with the current transportation impact fee district; the transportation impact fee program is imposed on new development and transferred to appropriate transportation benefit districts; in addition, there is the ability to use grants, gas, and gas tax for capacity, but it has been the Board's priority that staff focus on resurfacing and reconstruction, specifically for the grants and gas tax; the five benefit district boundaries are shown on the map, and they have their current balance; they cannot shift money between one transportation impact district to another; the north mainland and the central mainland have the most amount of funds while the other districts have very little; and funds must be used for capital or transportation capacity improvements and only within that specific district. He noted this means that a large portion of this will be untapped until such time that the County has affordable requirements, and they do

have some mitigation that they think they can use some of it, a lot of it will remain untapped; to be clear, the \$7.5 million in the chart is the balance, meaning it takes into account any balance forward, any expenses, and it is basically what is left in the kitty right now; Tax Increment Financing (TIF)s are insufficient to pay the cost of the capacity improvements that he mentioned on the previous slide of \$572.8 million because that is today's requirement and it will continue to grow with increased population growth; the next slide tries to illuminate what his current capacity problems are; without getting into the specifics with each project, the blue stars identify all the roads near capacity, the red stars identify the roads that are at capacity or over capacity; the Space Coast TPO performs assessments Countywide and staff pulled this data out for what is the County's responsibility; the map shows in the south mainland district which only has 835,000 and the south beaches district only has 305,000; and the County has the most amount of projects but not enough funds to address them with the TIF funds. He stated for the central mainland district there is \$2.4 million and it is generally a good news story; the good news is, there is not a lot of capacity issues; the bad news is, the County has a lot of money that is tied specifically to this District and not a lot of projects to focus it on; Wickham shows up both nearing capacity and over capacity; the challenge there is that \$5.3 million adds up to \$80.2 million to solve; and again, the \$2.4 million sounds like a great idea or a great number but the Department does not have enough money to actually address the true issues today. He mentioned the next slide is the north mainland district and it has the most amount of TIF at \$3.9 million; another great news story, there is only one project that is nearing capacity and that is Grissom Parkway, and as he discussed yesterday with Commissioner Pritchett, staff is going to take a look with the TIF funds the County has, to look at some assessments going forward of what they can do; again they do not have the funding to actually address the capacity issues; the Merritt Island District has the least amount of TIF funds right now of \$140,000, but it is important to note that the County recently allocated \$1.9 million towards the South Courtenay Parkway so that is taken out of the kitty; that is something that is being worked on today, and staff is actually reviewing engineering service proposals for the design of improvements to that road; another point is that to actually do the full capacity requirement, they are actually \$6.7 million short; and with the improvements staff is doing, they are going to expand to a three-lane road, basically put turning lanes there, but the requirement at this point is for five lanes. He commented to summarize the last several slides, the County currently has 25 miles of deficient roads due to heavy traffic volumes, most of which is in the south; they are in the process of addressing some of these issues; the County has some partially funded projects as he mentioned earlier, Ellis and Hollywood widening; these are primarily through grants; at this time there are only enough funds for design and right-of-way; construction remains unfunded as does the entire rest of the \$572.8 million; staff is looking to alternatives that can be implemented to defer or mitigate some of these costly road widenings; and one of the things they have been implementing for several years, and they will continue to look at, is shifting to utilizing more ITS strategies, which is low cost technology, so they can optimize signal timing and coordination to improve travel reliability in combination with high benefit intersection capacity and improvements. He stated there is a consultant that was brought on board several months ago that is doing a deeper dive into the types of capacity projects that can be done; since the feedback that was received last week from the Citizens Board Review Committee (CBRC), staff has identified that if they leverage \$3.25 million of existing TIF funding, they can actually improve five intersections in the County; five is not a lot, and it does not solve the \$572.8 million problem, but it is a start; staff has also identified that there are additional \$9.2 million of these types of capacity projects; at first glance they are going to have their consultant look at it a lot more in depth; however, if there is an additional \$9.2 million they could do 11 more intersections. He noted it buys some additional time, but it does not solve the current \$572.8 million capacity problem; as he is closing out his briefing, what he wanted to present was some revenue generating options; the County could garner up to \$60 million more of revenue each year if each of these were adopted; he knows that is a big ask, but it is

something to make sure that it is identified as an option; and back in 2014, the Blue Ribbon Commission supported a one-fifth and a \$.09 fuel tax and neither was adopted by the Board. He stated the revenue sources on this chart include the one-fifth cent, the ninth cent motor fuel tax, they already receive the diesel portion, a discretionary sales tax, and the public service tax; the top two need four or five Commissioners or a referendum, whereas the bottom two need three of five Commissioners to place it on a referendum; he mentioned earlier on the dollar per mile chart that most of the neighboring counties already receive discretionary or public service tax towards their roads; specifically for the ninth-cent fuel tax, it does not require they share with municipalities whereas the one-fifth cent, if implemented, would require to share via interlocal agreement; discretionary sales tax, if implemented would be levied throughout the County, however, there are many different types of discretionary surtaxes including Charter, County, and regional transportation system, infrastructure, etc.; while the laws vary slightly, there can be distribution in a variety of ways through interlocal agreement or by statutory formulas; however, the bottom line is generating more revenue to address capacity, and it is where they need the Board's support the most going forward. He commented staff has had many successes, and he tried to enumerate some of them; although brief at the beginning of this presentation, they do need to address near and over capacity projects in the future, and the way forward is to start transitioning to road preservation; staff is implementing the bridge program; it is developing further analysis of the over-capacity mitigation plan and projects as he mentioned earlier; and staff is also developing an objective tool to prioritize all unfunded future work, and although not really discussed or highlighted during his presentation, his staff is strengthening its partnerships looking for cost sharing opportunities with FDOT, various agencies, and other local municipalities to address some of these mutual areas of concern. He continued by saying staff is working with its outside financial audit firm to review other opportunities on how to effectively spend the monies that it has; they are working to drive down vacancies and working on retention issues; there is a lot of great news and great projects that the Public Works team completed throughout the past year; and they have been good stewards of the dollars that have been received thus far, however, capacity is the next hurdle and the biggest area that he needs the Board's support with.

Commissioner Lober stated there are a few things that scare him in life, the face huggers and the "chest bursters" from Aliens and this \$15 per hour minimum wage, insofar as the impact it is going to have on both materials and labor; his concern is it is in all likelihood everything is going to get more expensive, and profoundly for Mr. Bernath's Department with respect to repaving and maintaining roads; he is just going to tell Mr. Bernath where he is at; as a Commissioner, he is not going to impose a gas tax or an additional gas tax beyond what is there; he does not necessarily have a problem putting on the ballot for the voters to decide, either a quarter percent or a half percent sales tax; he mentioned Mr. Bernath talked about maintenance and capacity needs; from his perspective, with his district's portion of the funds, he certainly has a strong preference to maintenance over capacity when the County gets to a better position; he thinks it is slowly and steadily getting there, the data is pretty clear on that; then the County can shift gears and balance it perhaps to what people might think is a little more equitable; and he would like Mr. Bernath's thoughts on the risks and benefits of potentially spending down what the County has in Reserves, potentially borrowing whether it is from partially funded projects that really have a while yet to go before they are fully funded, maybe borrowing if it is eligible for State revolving fund money, or even potentially going the bond route because even if it puts them on a balance sheet on a sheet of paper in a more precarious position now, knowing that the County has to do it and knowing that the County's expenses are just going to exponentially increase, he would rather take the much smaller hit now, than a much bigger hit by kicking the can down the road; he added it may not be politically popular, but to him it is unquestionably the smart thing to do; and he mentioned he does not know if Mr. Bernath has given some thought as to, separate and apart from the tax items that

he has mentioned, some of which he feels are unpalatable and some of which he does not know how palatable they may or may not be, going those other routes, spending down Reserves or maybe borrowing funds.

Mr. Bernath stated one thing he may point out is that the capacity requirements, as defined by the Space Coast TPO, sits at \$572.8 million; what staff has projected over a 20-year cycle if it can continue to see the population growth as it has, the projections could be completely off, but they have inflated it 2.5 percent per year; they then tried to correlate it to additional growth of population; they were very conservative in that; if they saw just a one percent increase over the next 20 years, the current capacity issues would turn into a \$1.1 billion problem; staff has also looked at if they actually did garner all \$60 million, and they could actually get to the point in 10 years where they have a net surplus; and then they could start buying that down. He continued on by saying he thinks that is one issue; staff knew that this was big ask, and they were not sure where all the Commissioners would sit on it; one of the things he mentioned was that they not only start looking at mitigation, and there is a consultant working on that, but at the request of the CBRC, they have put together some quick, high level numbers to show that they could use some of the money that they have; the capacity projects, there are only five, and it does not solve this bigger issue, but it can start chipping away at it and gives them a little more time; as far as spending down other money in either Reserves or on projects, that is actually one of the focuses of the audit team, working with staff to take a look at that and how they can actually better spend money; they are all worthwhile projects, but if they are not going to get to them in five or 10 years, can some of it be used now; and that is something that is being looked into. He noted that is something he will be briefing County leadership and then going forward in the coming months; and as far as bonds and stuff, he is actually going to ask John Denninghoff to talk about that.

Frank Abbate, County Manager, advised for any bonding there has to be a revenue source; if the Board provides a revenue source and then wants staff to bond it out to be able to do more projects, they would have to identify one or more of those revenue sources that are here to be able to do that; and that is what the issue would be relative to bonding.

John Denninghoff, Assistant County Manager, stated he would add that the gas tax, Local Option Gas Tax (LOGT), and the constitutional gas tax currently are committed and dedicated to paying the debt service on bond proceeds which will, per the schedule, not be defeased until 2036, he believes; that is the only outstanding bond on the transportation side at this time; the County recently paid another one off; the County is already bonded, and it has spent all those funds at this point; and as Mr. Abbate stated, the County would need a new revenue source to be able to do any further bonding.

Chair Pritchett inquired if Commissioner Lober was finished with his questioning.

Commissioner Lober advised he will follow up with them individually outside of the meeting.

Chair Pritchett inquired if there were any more questions; and she asked Mr. Abbate if staff is needing some direction from the Board.

Mr. Abbate commented on this particular area staff wanted to give the Board where it was and where it is going information; he advised Mr. Bernath has done very well; if the Board thinks staff has been good stewards and are using the resources appropriately, for the County to move into the capacity issue outside of what Mr. Bernath indicated in mitigating with the ITS system which staff is going to be coming up with a plan to do that to the degree it could; what it

really needs to know is if the Board wants staff to be moving anything forward relative to one or more of the items that Mr. Bernath had delineated on that page of potential revenue sources; and does it want staff to look at anything. He mentioned obviously staff would need the Board to look at whether or not it wants to do anything with either the ninth cent fuel tax, the local option, or the discretionary sales tax or public service tax, any one or more of those items; staff would be looking for the Board's input as to whether or not there are three or more Board Members who want staff to pursue that; and staff would bring something back to the Board, if it does.

Commissioner Tobia thanked staff for itemizing this so well with what needed a simple majority and what needed a supermajority; of course all of these need referendum; he thinks during these austere times it is probably not the right direction to go; he appreciates the work that the Blue Ribbon Committee did a few years ago, but it was the most affluent folks in Brevard County where really a penny on gas tax is not going to make a whole hill of beans as they drive their Land Rovers and Mercedes down the road; when dealing with an added burden, certainly in these times people are in and unemployment is high, he does not think it is the right direction to go; there was mention of a discretionary sales tax, but what he failed to mention is that there are unique ones here in Brevard County already that are certainly regressive on the citizens; the Save Our Indian River Lagoon (SOIRL) is something that is unique here; and also, unfortunately, there is the capital school tax so it is not like there are no other ones that the citizens are paying for. He added he appreciates staff putting this out here, but for the time being from County Commission District 3, he would not only not support these, were they on the referendum, he certainly would not support them in the first place to put them there.

Commissioner Smith stated he has been a proponent ever since he took office, and he understands spending money and taxing people is not popular, but the other side of the coin is to pay now or have a lot more left waiting; he thinks Mr. Bernath alluded to that; and every dollar spent on maintenance was a savings later on.

Mr. Bernath agreed to that.

Commissioner Smith asked if Commissioner Lober could explain to him how spending a dollar today is important to save \$4 to \$10 tomorrow, then he is with him; he does not understand that thought process because the roads are not going to heal themselves; they are not going to get better by themselves; the County just endured a 30 to 40 percent increase since President Biden took office; a penny, or however much is being talked about, he understands that every time somebody gets gas they are going to think they would have saved \$.02 per gallon if they had not passed this, but if five years down the road they are saving \$4 to \$6 because they spent money now to fix the roads, they may not thank the Board, but the Board will know it did the right thing; and that is his position on it.

Commissioner Tobia stated clearly Mr. Bernath did not do a good enough job explaining the difference between maintenance and capacity; his understanding of the explanation was the \$60 million would go to capacity; the analogy that Mr. Bernath gave was dealing with maintenance and not necessarily with capacity; and he inquired if that is a fair assessment.

Mr. Bernath advised that is correct; however, the analogy was specific to maintenance, but he thinks to Commissioner Smith's point, the same is true.

Commissioner Tobia inquired if Mr. Bernath had said given the resources that the County currently has, the backlog has decreased.

Mr. Bernath asked if Commissioner Tobia is asking about capacity.

Commissioner Tobia responded no, for maintenance; he went on to say Mr. Bernath had 37 slides; the maintenance backlog has decreased; and he inquired if that is correct.

Mr. Bernath responded it has.

Commissioner Tobia stated given the current funding, the County has seen a decrease in the amount of maintenance; he asked if there was an analogy comparable for capacity issues, if it is for every dollar that is spent what is the X amount the County receives.

Mr. Bernath explained he does not think he has a good analogy but, to point out again, when staff did some rough calculations, if they inflated year over year with the backlog that they know today, and correlated it to the population growth, they saw from \$572.8 million to \$1.1 billion; and he does not have a great analogy like he had throughout for the maintenance side, but to Commissioner Smith's point it will cost the County more, not only because the road capacity, materials, and labor will cost more, but with increased population there will be more over capacity; and if staff does not get after it there will be a challenge down the road.

Commissioner Lober stated he does not disagree with Commissioner Tobia's point, at least in the sense that the County and Mr. Bernath are doing a very good job with respect to reducing the backlog on maintenance; the fact remains that there is a backlog, a substantial backlog that costs money to address; if the County can save a substantial amount of money, even if it were to spend double in a few years, that to him would still be a very compelling reason to spend some now; and as to a discretionary sales tax, there is just no way he would even agree to put the one percent on the ballot, but he is not necessarily opposed to a referendum for either a quarter or a half percent, because he thinks that is something where the County has the need and either the County is going to have a little pain now, or a ton more pain down the road. He mentioned he does not want to pay more than he has to, to buy goods, but if it means that the road is going to fall apart or that it is going to sit in disrepair for far longer, to him, looking at the core obligations of government, right up there with public safety is infrastructure; whether it is looking at utilities, storm water drainage, or a road it is all a core obligation; and if the County ever spends money, along with public safety this is where the County needs to spend it.

Chair Pritchett stated she thinks Mr. Bernath has done a great job on this presentation because she remembers Mr. Denninghoff, Assistant County Manager, having this task in the beginning and trying to figure out how to negotiate these funds to get rid of resurfacing, going into the reconstruction, and it has worked; she agrees with Commissioner Tobia that the County is making progress on this route; she remembers when the County did that; the Board worked on borrowing Reserves from one part of the County to pay off those debts so there were "x" amount of dollars to add to it, which greatly gave the ability to get ahead of this; and she does not want to bond again because the money is given upfront, but the County has to make payments, and later on the Board has to try to find funds for it. She continued by saying the capacity issues, when she met with Ms. Gillette, are mainly in two, three, and five, and she thinks Wickham has a lot of problems; she explained if the County does not start working on capacity there is no way to expand these roads; even with the funds, the County is running out of room and it needs to work on that; she thinks the IT program that has been talked about is a very important one; she advised she thinks this is heaviest on the Commissioners in Districts 2, 3, and 5; if those Commissioners said they wanted to put something on the ballot, she is with them on that; District 1's capacity has not had to spend as much of its capacity funds; she is not really having that much of a struggle; and she thinks the maintenance is keeping up with it. She went on to say as far as she is concerned, if the other Commissioners need her to help

with that she would help with the vote to get it on the ballot.

Commissioner Zonka stated she thinks the County is in a unique position because it has limited itself, whether as a Commission that previously allowed the tax cap to go on the ballot in the past, but people voted for that tax cap and she does not know if she wants to deny them the opportunity to vote for improved, not just roadways, but quality of life; it is a quality of life issue, and she knows Palm Bay surprisingly voted for their own road referendum; she is not saying it is impossible, and she does not know that the gas tax is the route she wants to go because as people transition to electric vehicles, they are not going to be paying that tax; more and more companies are going to be able to do it cheaper than the most popular one; and she would be willing to at least consider it, assuming the language is extremely clear and not deceptive to the average person reading the ballot. She added she does not want it to be convoluted with a bunch of legal ease and a bunch of fluff that tricks people into voting for something that they think they are doing; she thinks as the population in Brevard County grows that it has put itself in a box of what it is allowed to do with the revenues it has; those revenues have really been limited by capping the CPI or less three percent; capacity is important because if the County does not address capacity it is just going to wear out the existing roads faster as that capacity increases; there is a cost there to, that probably has not been considered; and that is one of the biggest complaints that comes to her office. She stated because this Item is very non-emotional and it can be spelled out very clearly for the voters, she may not have a problem with it on the ballot, assuming she is okay with the language; and she does not think the gas tax is the way to go because she thinks less and less people are going to be using it. She mentioned she would probably look at the last two quicker, but she is not committing to any of that; she wants to see the language and the explanation, and what it means for the County versus other municipalities; she does not want to do their work for them either; and she is not saying she does not want to help, but she wants to make sure the County is putting itself in a good position and is giving people a full, transparent view of what they are voting for.

Commissioner Lober stated he is almost there with Commissioner Zonka; he does not like the LOGT; he certainly would not, under any circumstance, impose it as a member of the body; he does not know if he is thrilled with putting it on a referendum; he advised he feels more comfortable putting it on the ballot than this public service tax; that said, whether it is a quarter or half percent, he is not willing to place higher than that on the ballot; he would defer to other Board members as to where they are comfortable between those two; and he would need to see the language as well. He commented from his perspective, in order to have his support on this, the County would need to disproportionately focus on the front end until the maintenance issues are addressed, then take whatever is needed to go towards capacity, in a way that others would be happy with; he is not saying capacity does not matter, but he thinks the biggest bang for the buck is on the maintenance side; if it is 75/25 on the front end until the County gets that down to a reasonable number, he would be okay with that; in fact, he would be a lot more likely to support it than if it were disproportionately the other way around, where it is 75 or 80 percent now going towards capacity and the County is just ticking away; the County is doing well year over year with the backlog, but he wants to see that backlog disintegrate or vanish; and that is how he would support it.

Chair Pritchett stated she is imagining that Mr. Abbate and Mr. Denninghoff would come to each Commission Office and help them figure out which would be best, how the funds would be spent, and then do a presentation; and she asked if that is correct. She asked Commissioner Smith if he had anything to say before moving on.

Commissioner Smith stated he is cognizant of the fact that the County has to do something with capacity and with maintenance, it all has to be done; he does not know who said it is a

quality of life issue, but it really is; if the County has really bad traffic and really bad roads people will not like living here; people who want to move here, may not want to move here because the roads and traffic are bad; the County has had it really good for a really long time, and he can tell the difference, Wickham Road and 192 is really crazy; when he opened his business back in 1987 on 192 they were not even open on Saturdays because there was not enough traffic on 192; and now it is a parking lot. He mentioned back then he used to joke that he could blind fold someone and let them walk across 192 without getting hit by a car, because there were not any cars there; times have changed, and it is not going to get any better; Brevard County is a great place to live, and people know it; there is robust industry growing in this County, and it is not going to slow down; the roads are not going to build themselves or fix themselves, so the County has to do something, whatever the Board thinks; and he knows placing it in the hands of Mr. Abbate and Mr. Denninghoff, they will provide some good options and the Board can then make the decisions.

Commissioner Tobia stated that the Board heard at its last meeting that SOIRL, the discretionary half-penny, during the 10 years is not going to most likely fix the situation; so his guess is the County will either, one way or another, get it through citizen involvement or a board makes a decision, that is a discretionary tax on there; there is the Environmentally Endangered Lands, (EELs) that potentially would need voter approval; the capital school one was just continued; this would not be a unique additional tax that was levied on the citizens, this would be one of three or four; and that is just something to keep in mind as the Board moves forward.

Commissioner Smith noted Commissioner Tobia brings up an excellent point; Commissioner Zonka said the same thing; the County has kind of put itself in a box with the caps that it has; and it has almost come down to the fact that if the County wants to continue fixing things it is going to be user fees.

Commissioner Pritchett agreed.

Commissioner Lober stated the most important thing is, and he thinks everyone has pretty much made it clear, no one is talking about imposing it as a body, it is being discussed to let the voters decide; he agrees with Commissioner Zonka that the language needs to be clear; he is not willing to support something that is going to mislead the voters into what it is they are being asked to support or reject; he agrees the SOIRL program, and the funds that have been raised and will be raised with that, are not going to fully resolve the problem by any stretch of the imagination; he has never thought that they would, and he would venture to guess that most of the people in the room would have never thought that would fully resolve the problem; that is a monstrous problem that involves not just Brevard County, but depending on how far up and down someone wants to look, a dead minimum of five other counties along that waterway, and Brevard is the only one that has elected to tax itself for that purpose; and whether that is wise or not, whether the structure of the tax is perfect or as good as it could be, he certainly has his thoughts, but this is a separate issue. He noted this is a core obligation that is on the Board to maintain; he gets that it is hard to talk about even allowing the voters to tax themselves, but given that the options are pretty clear in terms of, do it now and the voters pay something at their discretion, if they choose to do that or alternatively the Board allows them not to do it, or it does not even give them a choice, which is really the alternative position that he is hearing, and they are going to have to do something that is going to be far costlier to them down the road; it is not simply an option of saying let people tax themselves or not elect to give them that choice, it is whether the Board is going to do that now or down the road when it absolutely has to occur because the County is in a more catastrophic scenario, and then force the decision on the people or make the decision for the people without giving them the input;

and as a reward they will pay a far higher price for that at the end of the day. He added as far as the other discretionary taxes are, for him, when he looks at millage, and he understands that is separate from this, when he looks at the millage every year, there are 20-plus buckets; it is a tremendous number, at the end of the day, as a property tax payer his biggest concern is, how much is it going to cost him, whether the percent goes to this or that percent; as someone who pays into that millage he does not care as much about where the individual pennies go as much as he does about how much it is going to cost him at the end of the day; with respect to the sales tax, he does not know that the County has a higher or lower sales tax than the adjoining counties; this County must be within half-percent of it; he would like to look at it prior to having it come back; and it is not that this County is known for standing out as being the number one taxpayer in the State of Florida or in Central Florida, if it was, then he would say perhaps that is another concern that needs to be factored into the decision. He went on to say whether there is a half-cent sales tax for SOIRL or whether there is a chunk that goes to the schools, he looks at it in aggregate and asks what is it really going to cost at the end of the day and how does it make that money work in the most effective means that focuses on those core obligations; he commented whether the SOIRL tax is continued or not is a separate question from whether the Board allows the voters the choice with respect to, taking a little bit of a hit now or taking a monster hit later; and he thinks there is obviously a lot that needs to be put together before the Board can even make an intelligent choice with respect to whether that is a route that the Board wants to go in.

c. Minimum Wage Impacts

Frank Abbate, County Manager, advised Jerry Visco, Human Resources Director, will be providing a short presentation.

Mr. Visco stated he was asked to provide the Board a brief situational awareness with regard to the impact of the minimum wage mandates on this organization; on this one slide it provides three scenarios; these are not recommendations, they are snapshots of what potentially the cost of implementing minimum wage mandates will be, from a low end to a potential high end; the first scenario is simply if all the County did was to meet the mandatory minimum for all employees currently not making minimum wage as that will advance over the course of years; as a brief reminder, the County will have a new minimum wage of \$10 per hour by September this year, the wage will increase \$1 per hour thereafter through 2026 to hit the \$15 cap; and today there are about 13 employees below the \$10 minimum wage, but there are over 700 employees below \$15 per hour. He went on to say when that is rolled all out the impact on Brevard County Board of County Commissioners, just to meet the mandated minimums is \$3.7 million through 2026; he wants to provide a couple other scenarios to consider; in the first scenario what they did was address the minimum wages; they are pushing the bottom end up and freezing wages on the upper end, and that is salary compression; to address the compression issues, potentially if the County were to provide a two percent Cost of Living Adjustment (COLA) to everybody who did not get a minimum wage increase which is scenario two, meet scenario one and add a two percent COLA to everybody else; and that is a \$2.5 million increase in just the first year and a \$17 million investment over the course of the five-year program. He continued by saying scenario three is just another option to deal with compression; some people will look at this and say that is the simple solution; if minimum wage goes up a dollar then raise everybody's salary a dollar an hour; it sounds simple, but the impact is significant; that is just \$6.2 million in just the first year and a hit of over \$37.7 million by 2026; there are a couple caveats for this; this is just the Board of County Commissioners; he has asked the Charter officers for an estimate, as well as, to what impacts for them would be; if they applied just the scenario one option, that is another \$850,000 to over \$1 million in additional salary demands from the Charter officers; and if they play other scenarios out, the numbers could be significantly different. He added as noted on the bottom of the slide while

they addressed minimum wage shortfalls in the current bargaining unit agreement, they did not run them through the changes in the step plan; they did not advance bargaining unit members through the steps over five years; that is a much more significant exercise which he is engaging in with the Budget Office; the numbers would be significantly different depending on how this is ran in negotiations; and he asked if there were any questions.

Commissioner Lober inquired if there has been any feeling or indication whatsoever what some of the other comparably sized counties are doing, for instance Volusia County.

Mr. Visco advised they have received nothing from the other jurisdictions; and he advised that he thinks everybody at this point is still just wrestling with what they need to do to meet the minimums and then what that does to the pay classification plans beyond that; and he mentioned the impacts are going to be very, very different depending on how they are currently structured, what the differentials are between classifications.

Chair Pritchett stated she thinks that year one is maybe not going to be so tough, but she thinks the Board needs to realize it is going to have to be able to have funds to cover these costs in future years because the County does not have a choice; it will be very interesting what staff is going to do with that after four years; and she thanked Mr. Visco.

d. Fire Rescue

Frank Abbate, County Manager, noted if the Board is ready, staff would like to go right into the Fire Rescue presentation.

Matthew Wallace, Public Safety Director, stated he has with him Chief Mark Schollmeyer who is the County's Fire Chief; he also has some senior leaders from the Fire Department in and around, as well as some field personnel that are there; he thanked the Board for the opportunity to have the conversation about Fire Assessment; resource conversations are critically important for organizations; and he mentioned just allowing them to be there and have that conversation is really awesome. He went on to say the presentation is about 10 slides; there are three main objectives today; if staff could generate Board discussion about a Fire Assessment, then staff could receive the Board's direction on where it would like to go in terms of a Fire Assessment; the Board will see a tiered approach, staff has recommended, that covers a very wide range of Fire Assessment components; if the Board could focus down on and target which individual one it would like to see, that would allow staff to come back at a future Commission Meeting and get those going; and finally the third objective is to set up a way forward with what the next steps are in those timelines. He continued by saying Fire Assessment produces money in the fire operations budget, and it is one of two main components in the fire operations side; on the next slide the Board will see why that is so important that they are able to produce those new dollars into that fund; the methodology of a Fire Assessment is what does it cost for a fire engine to go to a resident to put a fire out on someone's house, and that cost is what the Fire Assessment will capture to get to that place to make sure they save property, life, and limb for the residents of the County; the current assessment was implemented in 2009; a consultant was brought in at that point, who kind of developed the methodology of what is being used today; and he recommends to the Board that it allow staff to continue to use that same methodology. He stated in 2009, the Board also made a decision that it should spend down the Reserves to cover capital and infrastructure costs; in the next slide, the Board will see where staff is at today based on those decisions back in 2009; finally about a year ago, he got to talk about Fire Assessment, but at that time they did not know about COVID, and they briefed the Board and had Board direction to accelerate the 2018 Fire Assessment which they were very excited about; and also at that time, they had talked about having to come back in another year and present the Board a seven-year look at

the Fire Department and where they would need to be for seven years out and present a tiered approach for personnel, capital, infrastructure, and reserves for Board consideration on where staff would like to take the Department. He explained this slide shows the current reserves that the Fire Department has; in 2009, the Board decision was to spend those dollars down to buy capital infrastructure; those were one-year non-reoccurring costs; staff has been spending those down judiciously up until about 2019, when staff got down to about \$1.7 or \$1.8 million; they realized that those reserves are also there for any type of natural disaster that happens; the County needs those funds if a hurricane or wildfire happens, to front load the emergency in times of to pay employees and get the equipment that might be damaged; Federal Emergency Management Administration (FEMA) reimbursements sometimes come back years later; and those reserves are very critical for them to make sure they can respond to those natural disasters. He stated this is just a reminder of the resource divide that is in the Fire Department; there are two main funding sources and two main buckets of money that they have; there is Emergency Management System (EMS) Ops which is the blue colored slide, and then Fire Operations; the FA is the Fire Assessment and it is the main component of the fire operations budget dollars; that makes up about 35 percent of the total budget, thus the infusion of those dollars are extremely critical for them corporately across the Department; and more importantly, the shared cost that is seen in the purple box are costs that are shared both on the EMS side and the Fire Operations side. He noted in general, shared costs is about 60 percent Fire Operations or Fire Assessment dollars and about 40 percent of EMS dollars, those are General Fund and EMS re-imbursable; a Fire Assessment really has two main components, a personnel component and a capital infrastructure and reserve component; staff had set up a tiered approach to that so that every tier on the personnel side would address retention, recruiting, overtime, and future capacity because they wanted that seven-year look out from today; seven years in advance, what would Brevard County look like, what would the Fire Department need to look like to respond; also from a capital infrastructure and reserve component and that kind of focus, what investments do they need to make in capital to ensure safe delivery of those capabilities, how do they address aging infrastructure, and how do they build up reserve a little bit to make sure to reduce that risk that he talked about; and the next slide is the money slide. He explained in staff's approach of what it is recommending to the Board on a tiered look across a Fire Assessment there are the two main components which is personnel and then on the right side is capital infrastructure in reserve; from the personnel side there are three elements in each tier that make up that personnel tier; the first is how to address overtime; each tier represents or has a component that would address overtime; it also has a second component which is how to address the future capacity of wherever Brevard County will be in the next seven years; the final component would be the salary component, and that is kind of where the tier moves; and the tiers go from a graduating scale up from tier one to tier four. He went on to say the salary components are the ones that staff would have the discussion at; tier one moves the entry level fire medic and fire EMT to those identified comps; tier two closes the gaps on those comps; tier three gets them to those levels in year one; tier four gets them to the optimum level of competitive competition; and from a capital infrastructure and reserve standpoint, tier one gets them to meet those recommended standards from NAFTA, all the way to tier four gets them to an optimum replacement plan for the capital infrastructure and reserves. He mentioned he is going to dive into the two components, capital infrastructure, reserve, and personnel about what characteristics are in each tier; on the personnel tier these characteristics are resident in each tier, tier one through tier four; they move salaries competitive with competing organizations; they have ability to reduce overtime; it also identifies new crews that are going to be needed over the next seven years for the County; and those stations are 49, 42, 27, and 90, all the way from Viera to Palm Bay. He added it also addresses the hazmat capability to increase that a little bit as they see they need that in the field; he went on, the next slide dives down a little deeper into capital and what the tiers would purchase from a capital perspective; tier one on the far left, tier four on the far right; this is what

staff would recommend, or kind of what his plan would be over the next seven years and in addition to what the current investment is; he pointed out that they are robust enough and that they have the capability they need to put to the field to make sure they put those fires out at each residence in Brevard County; and the bottom side of this slide addresses the EMS capital, the blue money. He mentioned it is a seven year look about what capital requirements they would need to make sure that they respond to those medical emergencies across the County; the next slide is a deeper dive into infrastructure and reserve; this would be a seven year look about what infrastructures they would be rebuilding, replacing, and moving to make them more efficiently located or more efficiently being able to provide the capability in Brevard County; these types of moves affect the ISO rating that is across the County, which in turn affects the County insurance rates for the citizens; and the bottom portion is the EMS infrastructure look, the General Fund, or the EMS dollars they would have for that. He explained at the very bottom of the slide is addressing for reserves and is in addition to the \$1.1 or \$1.2 million that is already currently in reserves; it is that number plus the \$1.2 or \$1.3 million; this next slide is how to see where they need to go forward from a Fire Assessment perspective; they want to be in lockstep alignment with the Board discussion and direction; they want to be able to be in a position where they can retain a quality workforce and recruit a quality workforce; they absolutely want to address overtime issues and make sure that they are putting the right dollars at the right place, at the right time; they want to position BCFR to meet those future population requirements and have those strategic objectives to be met in the future as they look to what they are trying to get to, and in the investments and capital, and also the addressing of the reserves. He stated this last slide is for the Board as a reference to hopefully generate some discussion; his goals coming out of discussion from the Board would be for the Board to let him know that it likes, a tier X personnel and a tier Y type of capital look; if he can get that then the way ahead would be to set this up at a Commission meeting in March that the Board would have two decisions to make; one would be to approve the notices that would go out to those that would have to be part of the Fire Assessment; two would be to set up the public hearing for an April Commission meeting where there would be final approval of the Fire Assessment; and it is also worth noting that they would also like to have this done and in place before the June break so it can affect the Fiscal Year 2022 budget. He mentioned the timeline is associated with the amount of work and the lead times needed, they really have to have this, if at all possible before the June break so they can make the change.

Commissioner Lober stated he thinks the County Commission and the Fire Union really ought to, and they probably do share a number of common goals; the fact is as a result, they really ought to be on the same team; and he thinks they are on the same team, with respect to most of the issues; having exceptional employees to him is far more important than having exceptional facilities or equipment; he is not saying the County should be substandard in those; he would trust Colonel Wallace with a high point over someone who has never shot or just got out of their first gun class; he thinks the County needs to recruit, not just with the exceptional talent, but exceptional local talent which will help with retaining them as will paying them a competitive wage with efforts made, and he knows the administration is looking to reduce mandatory overtime; and he noted Colonel Wallace talked about floaters, and he thinks that is excellent. He continued by saying he thinks the County needs, with respect to facilities, to have standard but not over the top facilities; he does not want the person responding to an emergency to be a person who is miserable in their job, looking for any opportunity to leave as soon as an opening arises anywhere in the State; he wants them to be people who are comfortable and not have to worry about how they are going to put tires on their truck; he thinks there are goals that they all have in common, or should have in common, with the Union; some will be more County Manager Office and Human Resources, and brass-based than it is union-based, but they need to look very heavily at recruiting locally; the fact is if there is someone who is one-tenth of a point lower in qualifications but still well qualified, if they are

local they are less likely to leave; they need to get floaters hired as quickly as possible regardless of which way this goes to help with the overtime issues; and he would like to see, ideally, no less than 36 floaters hired, and whether they are immediate or in short order made into fire medics, that is what he would like to see. He added he thinks that would help tremendously in the mandatory overtime issues. He went on to say he thinks Colonel Wallace needs to focus whatever additional monies received here, on funding most heavily those positions that have the greatest attrition, so the years zero to 10 in particular; not to say that he does not or should not put some of the funds towards the more senior individuals, he thinks he would have to keep those gaps from being overly compressed where really there's a negative incentive to succeed and to move up; he would really like to see, and he thinks with some of the options that are available there is no reason it cannot happen, and based on conversations as well, to have fire medic II's at a starting wage at the first step, whatever that step may be for them, whether that is compressed or left alone or expanded at \$50,000 within three years of when this is approved; and maybe some of this falls a little more on the union, but it is not just a Santa Claus gesture, assuming anyone will back him on this, there needs to be some return on this. He stated part of it obviously is going to be the reduced attrition, but the County needs to push whatever unavoidable overtime remains, down the ladder; there is absolutely no reason to have District Chiefs and folks that are beyond over qualified, responding to simple calls for service; if there is an FM2 that is able to respond to a call for service, he would far rather pay that individual overtime if it is absolutely unavoidable than to pay someone who is making a multiple of that salary in overtime; he thinks there should be some method of discouraging that officially or unofficially, or perhaps both; there is no reason to have the chief responding on a call for service on overtime; he is not saying there is not some extenuating circumstances where that may be justified, but not nine out of 10 times, there is just no need; and from his perspective and based on the concerns he has and the conversations he has had, he does not think anyone needs to go crazy with respect to the capital, he thinks the first tier that was identified will get them where they need to be. He continued from his perspective and his District with East Merritt Island getting a Fire Station that is an appropriate tier that he would support; he would say anything that runs under, and maybe it will happen and he will luck out, if they do not spend everything he would squirrel away everything they reasonably can for personnel purposes, if they do not spend what they had anticipated having to spend on capital; on the personnel side he would be comfortable going as high as tier three, he thinks tier one is the absolute bare minimum that the County should be doing, given where the comps are and given that they do not want someone who is actively looking to leave and who is miserable and may not even want to be on the apparatus they are on, responding to a call for service; and he does not know where the rest of the Board is at, but he is tier one for the infrastructure and on the personnel side he is happy to do anything up to tier three. He explained he thinks the Board has a real obligation to an absolute dead minimum to take one of these tiers or go somewhere in between one and three.

Chair Pritchett inquired if Colonel Wallace has the numbers on how much Fire Assessment would have to be; she stated she is going to start with tier one, for the options; and she asked for the number for the average home of the increase of Fire Assessment and then for General Fund.

Mr. Abbate stated he did not think that was the question she was asking; staff does have that number and can provide what the average one would be; he can address the issue and he wants to make sure he addresses it so the Board understands that; tier one and the percentage increase that they would have to come back, they have already done the calculation so they know what that would be approximately, it is going to be in the area, plus or minus a little because they have to go back and finalize, but it is going to be in the area of a 30 percent increase of the current Fire Assessment; and that is where tier one would be.

Chair Pritchett inquired if that would be \$3 or \$4 dollars for the average house.

Mr. Abbate asked Colonel Wallace to provide that information to Chair Pritchett and then he will continue.

Colonel Wallace inquired if she was asking tier one personnel or tier one capital.

Chair Pritchett advised she is asking for both.

Colonel Wallace replied tier one personnel would be about 20.7 percent increase on the current Fire Assessment which equates to about \$3.39 more a month for the assessors; and capital, infrastructure, and reserve, tier one is about a 10.16 increase which is about \$1.66 per month increase for the assessors.

Chair Pritchett advised that is about \$5 per average house per month.

Colonel Wallace responded affirmatively.

Chair Pritchett stated she knows that is only a percentage of these increases and she asked how much is the percent; and she thinks she saw a 40 and a 60 percent delta.

Colonel Wallace inquired if Chair Pritchett was talking about tier four.

Chair Pritchett advised she was talking about tier one because that is the Fire Assessment, and there is still going to have to be money for the General Fund to try to make tier one.

Colonel Wallace responded it is about a 60 percent Fire Assessment number, a 40 percent General Fund or EMS revenue on the blue side.

Mr. Abbate asked what the question was.

Chair Pritchett stated the Board just received the impact for the Fire Assessment, but in all reality they have to add the General Fund because both of them will have to make up tier one; and she asked what the cost is in the General Fund.

Mr. Abbate advised the cost in the General Fund, if staff were to do everything under tier one, the County would have to identify somewhere in the area of \$1.9 million.

Chair Pritchett repeated \$1.9 million. She went on to say she loves how much Commissioner Lober cares about the firefighters and she does too, that is why she is willing to do a Fire Assessment or something; she thinks the Board has to find something it can afford and still give them a great impact; she thinks with the discussion they need to focus on these ones that are leaving; her recommendation would be that all those making \$100,000 per year would not necessarily get this increase but they would probably get the Cost of Living Adjustment (COLA); all of those that the County is having a hard time keeping in these positions, she thinks the Board needs to try to get them up to that \$50,000 a year level when they can; and she thinks tier one does that, it gives them time to work with unions so they can work those levels up because she thinks those are the ones with the guys leaving all the time and those upper-level ones are not leaving, those ones have been with the County for a while from what she has seen. She added she thinks the County really needs to start pouring some of these funds into those other ones because when she saw the comparisons of the other counties,

Brevard is really not as competitive; she would recommend that the Board do the tier one and she would go ahead and agree to the Fire Assessment and the General Fund numbers to get the money up; she has looked through the numbers and she believes for the other tiers that the County cannot really afford it; and not only that, with tier three and tier four, the Board is going to be hearing from the Sheriff because he is going to start getting an analysis of these numbers as well.

Commissioner Lober inquired if Chair Pritchett means with respect to both the capital and the personnel.

Chair Pritchett responded affirmatively. She stated they do need the capital as well.

Commissioner Zonka stated if the majority are willing to even consider this, which is pretty obvious, she would like to see the numbers; she does not want to have to ask what tier two means for personnel, she wants to see it on paper; she wants the public to see it and for all of that stuff to be very transparent, so that it is pretty clear what the Board needs to do; she thinks everyone knows that the Board needs to do something, but it needs to know the impacts on the General Fund and on the average, low and high average to the homeowner; not everybody has the average cost house so she wants to see that and she wants it pretty clear; and she thinks it is probably going to take a workshop.

Mr. Abbate interjected he does not think so; he advised staff has it, and they will be able to present it; they have been working, they have the numbers, and they have tried to brief around; and staff has the information he thinks Commissioner Zonka wants to see.

Commissioner Zonka commented she is not saying the workshop is for staff, or even necessarily for the Board, but for the public; she thinks they need to know those impacts; and she thinks those numbers need to be out there.

Mr. Abbate stated what he was hoping to do, unless the Commission wants to do different, is to take where the Board wants staff to go relative to this and bring it back for the public hearing, where it will provide all that information for the Board.

Commissioner Zonka stated she would like to see all the numbers at that public hearing, not just tier one, not just tier three or four, so the public can see them all and see what the impacts are.

Mr. Abbate inquired if Commissioner Zonka is talking about what the Fire Assessment rates would be.

Commissioner Zonka responded yes; she explained what the impacts to the General Fund would be based on the tiers, because there are two Commissioners that are tier one and tier three now, so that is pretty far apart; therefore, she would like to see all those numbers.

Mr. Abbate advised staff will have all those numbers.

Commissioner Zonka noted she knows staff has the numbers, but she wants the public to have the numbers so they can at least offer their input.

Commissioner Tobia stated in tier one it states to move entry level fire medics, fire EMTs, to identifiable comps; and he asked if that is Fire Medics II.

Colonel Wallace responded yes it is part of the overall, they were looking at that corporately.

Commissioner Tobia stated this is the one that gets them into the low to mid \$40s to that magic \$50,000 mark.

Colonel Wallace responded that is correct.

Commissioner Tobia advised that is roughly a 15 or 16 percent increase over the next three years or something in that nature; and he inquired if that is correct.

Colonel Wallace inquired if he means from their current salary.

Commissioner Tobia responded affirmatively.

Colonel Wallace responded yes-ish.

Commissioner Tobia stated and that is only one of the numerous ranks; all of the other ranks, and he does not know what those ranks are, but he inquired if they receive a similar bump or would that be substantially different from the ones that have allegedly high attrition rates that may or may not be higher than attrition rates in other departments that the County has.

Colonel Wallace asked if the County Manager wanted him to answer that.

Mr. Abbate stated the dilemma is whether they are talking about what the pay plans will be looking like, because they are not presenting a pay plan to move forward; what he is trying to give the Board is a concept of what they are going to try to accomplish and is it what the Board wants them to accomplish in the area of addressing attrition through salaries in the areas where there is the highest attrition; they are not negotiating, saying this is where they are going to go during the negotiations, that is something they hope to do at the table and bring them back to the Board if they cannot come to an agreement; and he thinks that is the appropriate way to move forward.

Commissioner Tobia stated he is having trouble separating the two; the Board is talking about assessment here which is a revenue driver that will go directly to that compensation; in fact, this deals directly with addressing comps which is directly linked to pay; and he asked for an explanation on how he is to separate these as a policy maker.

Mr. Abbate explained the challenge that staff is facing is if the County does not have the Board take action that gives them the opportunity to bring back a revised assessment under a format where they can move things forward, they will not be able to negotiate any changes in salaries, etcetera for the new year; that has to be done by June; unfortunately, the assessment has to be completed in a manner that staff can send out notices to the public, bring it back for public hearing, in that time frame; that is why Colonel Wallace mentioned it has to be back to the Board before June; that is coupled with the challenge that since 40 percent of the costs in Fire Rescue does not come from the fire side of the house but from the EMS and the advanced life support side of the house for ambulances, etcetera; and the County would have to fund whatever it is planning to do on the Fire Assessment side. He continued by saying these comparables that they want to reach through a negotiated process with the union, will have to be funded on the General Fund side; they are doing this so that over the next seven years they can reach the goal of trying to become comparable and reduce the attrition; staff is not giving specific numbers and does not have specific numbers to say where the salary will be, that is a

negotiation process that staff has undertaken and are working with the union on right now; they do not have where those numbers are going to go; that is a responsibility of his, and he has to make those decisions as to where the County's leadership team are going to try to negotiate; if they are not successful in doing that with the union then it comes to the Board; and if they get the union to agree to that they are in a good place. He stated he has heard a couple Commissioners say they want staff to be aligned with where the Union is going to be, but if they do not get to that place, then the Board is going to have the full ability to make a decision after public hearings as to what is going to be imposed by the Board; the Board will ultimately make those decisions; staff is in a rather difficult position today, because they know that they cannot move toward what staff has heard the Board tell them they want to do, until they get the Fire Assessment issue resolved; once that is resolved where they go with the General Fund, there is no guarantee what is going to happen with the contract negotiation, because they still have to come to the Board to deal on the General Fund side; and as Commissioner Zonka had mentioned, the County has the cap to deal with, what the Board history has been, and what the Board is going to ask staff to do relative to the General Fund. He went on to say beyond that is what other Charter Offices through the Budget Office presentation and how much of that budget are they currently taking, and what they are going to need moving forward; he does not have that information yet, but staff is committed to achieving what the Board tells them to do, relative to a starting point, being the Fire Assessment; unfortunately, that is the best answer he can provide; he cannot give more specifics as to what is going to happen with those numbers, because they have not negotiated that yet; staff knows what they generally think, if the Board gives them this pot of money, where their goals are going to be over the next seven years to accomplish what they are talking about today; and he reiterated he cannot provide specific numbers because these are just scenarios that staff is working with.

Commissioner Tobia stated it sounds like Mr. Abbate is looking for general parameters that would allow him to move forward.

Mr. Abbate responded affirmatively.

Commissioner Tobia stated everybody has delineated these, based on the tiers that were set up; he is not willing to vote for a Fire Assessment that will eventually cause a pay increase more than the bulk of, or the average pay increase of the County employee who has decided to not to join a union; should a Fire Assessment gain enough revenue to provide a pay gain higher than whatever the County gives its rank and file who have decided to let their merit and work determine their pay, not an artificial union, he cannot support it no matter what tier; but in all honesty, if tier four is a pay that is commiserate to what the County provides its average County employee, that would be something he would not have trouble supporting; and he does not think that is any figment of reality of even tier one. He pointed out what he is more concerned about is not the minority of citizens of workers that have decided to join a union; he is more concerned about the \$15.00 pay increase out there, and the compression that may cause on the almost couple thousand folks who have decided not to join a union; he understands that it is complicated, certainly given the CPI of 1.234, but he does not know where that falls into tier one, two, three, or four; and if it falls in there great, but if it does not he could not support a Fire Assessment fee that would provide a unique benefit to a union.

Commissioner Smith advised he has looked at the numbers and he comes at it a little differently than Commissioner Tobia; he is in deference to the union people that are friends and relatives; he is not a big union person in general, but when talking about firefighters they are different than someone who shows up for work Monday through Friday and works their eight or nine hours a day in doing their chores; these men and women are putting their own lives at risk 24-hours per day to keep people safe; he thinks the parameters are a little different for them;

and personally he would support a tier two for personnel and tier one for capacity.

Chair Pritchett inquired if there is a difference in the pay that the County gets the firefighters that are in the union and those not in the union as the Board makes these changes; and she asked if they would be paid the same.

Mr. Abbate advised everyone in the bargaining unit, in the same classification, would be treated the same way whether or not they are a union member.

Chair Pritchett inquired if someone was not a union member, would their pay rise the same way that the Board is hoping to raise the pay for these guys that are not getting enough money; and she advised she got a little confused with that.

Mr. Abbate stated he was speaking about everyone who is not in a bargaining unit should be treated the same.

Chair Pritchett clarified if that was for the firefighters.

Mr. Abbate responded affirmatively; he mentioned the County is not in a position to do that even under tier one; if the County makes the adjustments to tier one, staff would not be able to do that throughout the organization; and the resources would not be there.

Chair Pritchett inquired if the Board raised an EMT by this, up to \$50,000, that would not raise the person who is not in the union up to \$50,000.

Mr. Abbate responded he believes Commissioner Tobia is speaking about...

Commissioner Tobia interjected to explain that, it is his understanding it would be across the Board; he was not referring to the non-unionized firefighters, he was referring to the thousands of County employees that provide services and that quite frankly, if Chair Pritchett would speak with Mr. Visco, Human Resources Director, she would find that attrition rates are just as high in other areas; and he finds it very difficult as a conservative, liberal union, that endorsed Biden over Trump, to provide a 20 or 25 percent pay increase, but folks have decided to let their merit and hard work dictate their pay, to provide a COLA of two percent. He thinks that is very difficult and that it is something Mr. Abbate has to do; he has to look at these folks and tell them even though fire is going to get eight to 10 times the amount of pay increase than others are going to get, because all the Board has authorized is a CPI of 1.234; and he cannot do that.

Chair Pritchett stated that is true always as to what Commissioner Tobia thinks; she has to learn not to laugh at his jokes because it gets her in trouble; she thinks Commissioner Tobia is going to have to see the same number break out that Commissioner Zonka asked for; and she thinks that will help a lot because it helped her a lot.

Commissioner Tobia requested the attrition numbers also, if that is okay.

Chair Pritchett advised she agrees with Commissioner Tobia on that.

Commissioner Tobia added compared to other Departments, IT, and Road and Bridge; and he stated he thinks that would be fair to see if it really is marked differently.

Commissioner Lober stated the attrition is not the same when looking at the newer employees;

the attrition across the organization is not what the issue is, it is the attrition in certain classes of employees, those that are there from zero to five years, they bleed them; the employees that are there up to 10 years, they still bleed them to a large degree; when they start factoring the employees that have been there 20-plus years it changes the dynamics, but those are not the employees that are really being looked at focusing this additional funding towards; and he knows staff has the numbers already, when the Commissioners meet with staff they may want to get the comps up and down the ladder. He noted everyone from a base level firefighter EMT all the way up to District Chiefs, they have them for the comps; they also have the numbers for how many of these BCFR employees are in those respective positions; if someone wants to pick an area where they are comfortable or maybe the average of the comps or pick a comp that someone may think is really a competitor moreso than another, maybe factoring in which comps to EMS and which ones do not; anyone can multiply the number of employees by whatever comp they want, to figure out how much money the County needs to come up with, and tack those altogether, in aggregate, at the end and look at what the County has and what it needs to get; and that would provide a better opportunity to do that. He mentioned he respects the fact that the County Manager's staff does not want to box itself in with respect to the union negotiations, because despite the Board's intention, at this point, there may be different priorities; if this does not focus on or result in the core issues as far as that zero to 10-year attrition, he does not know that he would support it; anything that leaves the County with underpaid zero to 10-year employees is a non-starter for him; and he does not know that the local fire union, at least here in Brevard, made any statement with respect to the presidential election that the country recently had. He went on to say that he is generally not a union lover by any means, but once in a blue moon people will come across one like this one that exists for a very clear reason because their membership is not getting what they ought to be getting; this is not a group of folks that are trying to trade in their older Maseratis for a new Ferrari, these are folks that are having problems meeting their bottom line at the end of the day; there are definitely exceptions to that, and he would not say otherwise; the only way he has seen people make good money in the BCFR service here is either by staying for decades getting underpaid for a huge chunk of the time or alternatively working a disgusting number of hours in overtime; if someone wants to work 120 hours a week they should be making a lot of money; and for those working 40 or 50 hours per week, the wages just are not there. He continued by saying the County needs to get competitive; he has never said the County needs to be the absolute number one payer for firefighters or for anyone; he thinks part of that goes back to hiring locally where they are going to remain there if they are paid a competitive, not a gold or platinum plated wage, but a competitive wage; looking up and down the tiers, tier four, and the way that he has viewed crunching the numbers or has at least gotten the benefit of having the numbers crunched for him, would be an attractor or a beacon of light for all firefighters anywhere remotely near the County where they would want to come to Brevard, basically as a destination, because the pay is so solid in comparison to other areas; and the other tiers do not do that but they get them all far more competitive. He stated he thinks tier three where he mentioned he was fine in supporting up to before, is a great way of going; he noted Commissioner Smith said he is happy with tier two and the Chair said tier one; and he would be happy to meet in the middle if the Chair has a level of comfort in that.

Chair Pritchett noted she wants to hear from Commissioner Zonka still; she has to see all those numbers real well and tier one pulls off the objective of the ones that are leaving and getting their pay caught up; when they start getting to tier four that is the upper level and those guys make \$80,000 to \$100,000 per year and they would also get this increase; and she does not think the Board should do that because they are not leaving and there is not a competition issue.

Commissioner Lober stated he agrees.

Chair Pritchett noted the Board is trying to get that lower group, and tier one does that over a time period that is a little more affordable; this is still tough to do; it is going to bite because of all the things the Board is having to deal with; she would be agreeable to tier one doing the Fire Assessment and the General Fund, because she thinks the Board needs to get them up to that competitive level; however, as the Board has been making these increases, the money has been going to the upper level; and it should have been going to the bottom level because those are the ones who are leaving. She stated she thinks this is the way to fix it, because somehow this has gotten really out of balance; she thinks the Board needs to get these "earlier on" firefighters some more money so they can take care of their families; she is not in favor of giving the upper level guys more funds at this time, except with the COLAs; and she thinks somehow they have gotten proportionately out of the market here. She commented it may be the market everywhere, but she is not sure this is a good thing going on nationwide; not that they are not valuable, they are, but she is not real sure a brain surgeon gets that right now; she thinks the Board needs to focus on these other guys on the lower level, there is a lot of them that need to get their pay increased, and that is why she asked about tier one; tier one met all of those objectives; and she noted it is still painful, but she thinks she would be willing to do that to get those levels up.

Commissioner Zonka commented the more everybody talks, the more questions that get answered or remarked upon; she is happy with tier two or tier three; she thinks that a lot of that overtime, addressing the overtime issues, especially the mandatory overtime will take care of a lot of those over \$100,000 guys because whether or not some choose to, because it is their top five that work extra time to increase, they are still working those hours; the Board is addressing some of those staffing issues, and that overtime is not going to be there; and as far as unions go, this union predates probably everyone in the room. She continued by saying that she has been a part of government for a while, and this union that is in place right now is a good union; she thinks that they are trying to be good advocates for their staff without being a bunch of bullies, without being a bunch of hot heads that make big demands; they are a good group of guys that are just looking out for each other; and people cannot compare the average County employee to the average firefighter, it is just not a fair assessment at all. She added that it is not to say that one has more value, because each has a very unique job description; she thinks it is impossible and unfair, because she would be happy being in the health care field herself, to defend what they do and the risk that they put themselves at, not just with fires but the health risk with this COVID nightmare; then they go home to small children and newborns and that kind of stuff is not often thought about; and she feels it is not about trying to fix all the things that were not done correctly in the past, but about trying to get them to a fair wage and trying to take care of County staff the best way the Board can. She continued by saying the County cannot eliminate the union whether someone loves unions or not; she has had her share of one that she has not been fond of, but she thinks that this one, at the very least, they are a good group of guys, and they are trying to do the right thing; she thinks with the capital, it makes her a little nervous neglecting that, because they have some issues with mold; one place did not have hot water for a few weeks and it was not brought up to the right person; some of them are crowded for people who have to stay there for 24 hours, and she wants to make sure, at the very least, that the place they have to lay their head down for the 30 minutes or an hour where they actually get to sleep, that they can sleep in a comfortable place, and that it is not a horrible place to be for 24 or more hours; and she knows there is a need for new fire trucks and new everything.

Commissioner Lober advised he will make a motion, but he wants to preface it real quick; he spoke with staff and if he is misspeaking he asked that staff jump in and correct him; even the first tier for capital would address those concerns that were just mentioned as far as mold and

things of that nature; and he inquired if that is a correct statement.

Colonel Wallace responded affirmatively.

Commissioner Lober stated he would move, based on what he has heard from Commissioners Smith and Zonka, to direct staff to go about what they need to do in pursuing tier two on the personnel side and tier one on the capital side.

Commissioner Zonka responded she would like to see tier two for both and then she would be happy to support it.

Commissioner Lober replied okay.

Commissioner Zonka explained staff could always show the Board both, on the capital end if they want; she would like to see the difference between tier two and tier three as far as cost goes; she knows what the numbers mean for the guys; the Board has already been through those numbers; and she is talking about what the numbers mean to the average homeowner because that is ultimately the decision that is being made.

Commissioner Lober stated he will withdraw the motion for the moment.

Chair Pritchett advised when starting this in base year one and they keep increasing, this is increasing costs with FRS and all these numbers as well; she inquired if Commissioner Lober wants to change the motion; and she advised if he does she also needs to know if there is a second on the change.

Commissioner Lober stated he will leave it unless Commissioner Zonka wants to make it in a way that is more preferable, certainly if it gets the Board to a better place he would be inclined to support it.

Commissioner Zonka asked if that is doable to bring back tier two and tier three.

Mr. Abbate asked for clarification that Commissioner Zonka said tier two and tier three.

Commissioner Zonka responded she would like to see what the difference is on the personnel between tier two and tier three, she does not want to take three off the table if it is a minor difference, because if the County can do better and be competitive and not lose these guys to the municipalities; another factor that people do not consider is that these municipalities do not transport; everyone in this room knows that, but these guys are in a very unique position in that it is difficult to compare to municipalities and their municipal pensions are quite outrageous compared to what FRS offers; and it is hard to keep these guys so she wants to make sure the County is doing the right thing by them.

Chair Pritchett responded she thinks staff is going to have to come back to the Board with what these three offer; the Board is going to have to talk about what these three options are; when it was explained to her, and she was told the difference, if the County moved up to those two options, the County would lose the ability to get the money down to the lower ranked guys; she thinks there is going to have to be a better discussion with this in her opinion; she thinks staff is getting the overall for sure, the view that the Board is willing to do an assessment and work with the General Fund; and she does not think that the Board has been given enough data with all the members.

Commissioner Smith advised he will rescind his second and in deference to getting these numbers so that everybody is working on it from the same page.

Commissioner Zonka interjected that realistically it can be a discussion even at the next Commission meeting because it is amongst the Board; and if the Board tells staff to bring it back as an ultimate vote at the following meeting it will be ready for March, like the plan.

Chair Pritchett stated she thinks right now that the Board will all be in favor of an assessment, except for Commissioner Tobia, and maybe some adjustments with the General Fund; and she asked if the Board agrees.

Mr. Abbate stated that the General Fund dialogue is a separate dialogue and that is part of the challenge that the Board is going to face; staff can show, they have the numbers today to tell the Board what the difference is in the Fire Assessment would be between tier two and tier three; and he thinks that is what Commissioner Zonka is asking for.

Commissioner Zonka responded affirmatively.

Mr. Abbate stated he could provide those numbers right now if the Board wants.

Chair Pritchett inquired if staff is wanting to know today if the Board is going to agree to an assessment.

Mr. Abbate explained staff wanted to be able to come to back, like he indicated, and he wants to know should staff be coming back with a proposal and a package that allows them to accomplish the items that are presented in those various tiers, whichever ones the Board is more comfortable with, so that staff could provide the specific numbers; staff knows what those specific numbers are, they may need a little tweaking but staff has them; and he advised everything Commissioner Lober said in the beginning is all accomplished in tier one. He reiterated everything Commissioner Lober said would be accomplished in tier one; he noted staff has the documentation and can share it with the Board; when talking about tier three, the things Commissioner Lober was talking about, this is going to go beyond that and would be happening immediately; he can give the Board what the relative costs of that would be; tier one is going to be close to 31 percent; if the Board went to tier three that would be close to a 39 percent increase in the rates; and that is what the difference would be.

Chair Pritchett advised she thinks the Board is going to have to do that; she thinks she is hearing tier one and two but she does not know that Commissioner Zonka could not convince others into tier three as well; she thinks the Board is going to need that data at the next meeting, if staff does not mind; and she reiterated she is in for tier one, but she does not know where everybody else is going to land after they see that. She mentioned there is one for tier three but she is pretty persuasive sometimes so she thinks that needs to be ready as well; and she asked the Commissioner to make the motion as he or she would like but that was her overview unless there is another thought.

Commissioner Lober asked Mr. Abbate what he needs at this point to get him in a position to have what is being asked for at the next Commission meeting; and he inquired if Mr. Abbate needs a specific motion or if the direction that he received has been sufficient.

Mr. Abbate responded staff has the information and will make sure the Board has that specific information; and staff will ask the Board to give direction of where to prepare to come back for the Fire Assessment.

Colonel Wallace stated staff can build those specific packages with those costs and those percentages into that package for the Board meeting; the open discussion will happen between the Board; and the public will see it.

Chair Pritchett stated that is wonderful.

Colonel Wallace continued by saying he thinks what Mr. Abbate was saying is this was such a wide gap from tier four to tier one on capital, infrastructure, and personnel that staff just wanted the Board to focus on it a little so that staff could bring that back to that Commission meeting, have that discussion in front of the public, and give staff the direction to go on so it can press forward.

Chair Pritchett stated that was a good start today; and she asked if the County Manager was comfortable.

Commissioner Zonka asked if the COVID funding has been moved over to the Public Safety accounts to reimburse personnel.

Jill Hayes, Budget Office Director, stated staff is working on it, and they are still closing out all of the CARES funds, but they have established the Public Safety Fund.

Commissioner Zonka mentioned she knows the County has established the fund because the Board voted months ago to do that; and she inquired if the County is going to expend those funds and move those monies so that it is not just sitting there.

Mr. Abbate responded yes the Board has the authority to do what it thinks is appropriate with those funds, and Public Safety funds will be available to be utilized; staff believes the Sheriff is going to be asking to utilize them for Public Safety, because two-thirds of those payroll dollars were actually for his payroll expenses; he is sure the Sheriff will be looking for that; quite honestly, depending on what happens with the Fire Assessment and everything being talked about today, those dollars are dedicated on the fire side to the General Fund side; and he had hoped to be able to use them, if the Board so chooses, for capital and infrastructure projects, because when people see the numbers on the General Fund side, the money is not there if the County does not use those dollars, so staff was hoping to use it there.

e. Utility Services

Eddie Fontanin, Utility Services Director, stated he will be presenting a Rate Revenue Sufficiency Study that was performed with the cooperation of Raftelis; Rob Ori and Thierry Boveri are present for in-depth questions; and a quick agenda overview is to basically talk about the scope and objectives that were performed as it relates to the Rate Revenue Sufficiency Study, discuss a little bit of the history of the last rate increase that was approved in 2013, the major changes that have occurred since 2013, and the findings of what was conducted under the Revenue Sufficiency Study. He continued by saying staff looked at the 2013 study and since then they have done a revenue comparisons and looked at some sensitivity and utility dynamic changes that have occurred since; they have talked about the septic to sewer; there are regulatory changes that have come out since 2013, and updating infrastructure assessments which now seems to be a more prevalent requirement and level of service for utilities these days due to some of the leaks and mishaps that have occurred over the years; he went on to say they have looked at industry rates and benchmarks, along with recommendations; and in 2013, there was a need for a rate increase, because prior to that there was not a rate increase since 2008. He stated prior to that, in between 2008 and 2013,

there was no indexing and as a result, prior to 2013 for example, the Utility Capital Improvement Plan (CIP) budget was \$1 million for Countywide in comparison to the \$18 million that the County has; there was that need in 2013 to deal with obvious deficiencies in the current assets which he refers to as RMR; through there, there was a five-year rate implementation; and since 2013, a few things have happened. He advised he will be talking about the septic to sewer; in the last go-round, which would have been last year, there was some funding that moved over to perform selective septic to SOIRL, which the Request for Qualifications (RFQ) for engineers is out for that effort right now; assessments of renewal and replacement, at this point staff has a very rigorous assessment program of all of its assets, whether it is a valve, an Air Release Valve (ARV), a force main, or a gravity line, and the whole objective of that is to identify the unknowns or lower the frequency of mishaps by doing such; they have completed the North Riverside Forest main, but the North Riverside Forest main is not the only project that is needed in order for the resiliency of the beaches; and that was all driven from Hurricane Irma and the discharging. He stated June of last year, Florida passed F.S. 403.806 which says, there are particular bodies of water identified in Florida, the only one on the East coast was the IRL, all the others were in Hillsborough, Pinellas, and Manatee County; in there, is a requirement that by July of 2025, that any plant that is adjacent to any of those Lagoons be converted to an Advanced Waste Treatment (AWT) system for water quality purposes; there is talk about treatment and capacity for the growth that is foreseen in the County and being able to service development as it comes; there was talk about adopted index and part of the due diligence they did was they created a dynamic model, it is a key component and the basis of a lot of the information encompassed, which allows staff to put a lot of information and matrix in order to come with the calculations; and they have determined what the rate recommendations are based on the current system and also looking at it with the major changes that have been discussed. He went on to say based on the criteria of filling in the gap of what has changed from 2013 to 2020, there are some future resiliency projects, additional funding for the septic to sewer program, the growth, and also the need for the other components; they are looking at a cumulative of \$356 million between now and fiscal year 2029; there was talk about what the current five-year program is and in addition, the ones being talked about as the future; for a little lay of the land of how this associates as dollars, of the \$356 million, and how that falls within each Board Member's District, this slide is a brief breakdown of that; and that shows how the dollars would be allocated. He discussed CIP, but mentioned it is important to talk about operations and maintenance; in addition, because of the growth in the County, and the emphasis of doing more assessments and more due diligence, they are also anticipating new employees or a larger staff; current projections show them needing an additional 31 new positions for operations; he has shown on the board a little bit of flavor of what staff is doing in terms of preventative maintenance; there is more to it, but it is just to give an idea that all of that is for them to be in a preventative mode and not into a reactive mode; and that works out to be cheaper for them rather than addressing it as it occurs. He continued by saying this slide shows a reserve balance; if they stay on the current program, at the current rates, with the current CPI index, and implement all of the projects identified through the 403 for the State resiliency and all the other ones that were not taken into account from the 2013 rate, in 2026 they will be at zero; they will then run a deficit, which they cannot because departments have to submit a balanced budget each year; the black line shows what the industry standard is; Utilities likes to maintain a 120-day Operations and Maintenance (O&M) budget which is basically the equivalent that if all funds stopped coming in, the Department would have 120 days to stay afloat; and now industry standard is starting to get more into three or four months. He commented he knows he is not the first to talk about rate adjustments, but in doing so, he would propose some rate adjustments to bridge the gap; the slide shows the recommendation, and the percentage per year that he would propose; he pointed out that this is only for the Countywide rate adjustments so this does not show Barefoot Bay, he will talk more about that into the presentation, and he noted these are not taxpayers, these are rate payers; not

everyone in the County will be subjected to these, similar to anyone who lives in Melbourne, they already have their utility system and their own rates; and on the water bill the only ones these would fall under are Mims, everyone else in the service area would either be under City of Cocoa or City of Melbourne water and would not be subjected to this. He stated to give a scenario of what eight percent equates to is under the sewer bill, there is a second column that would show what the delta increase would be to a monthly bill for a sewer bill, to a typical sewer bill of 5,000 gallon consumption; there is depth beyond this graph, but this is really a graph to show that staff has done its due diligence that based on that recommendation, they can get to where they need to be, with the understanding that the delta would be financed through debt service; none of the projects that he is talking about above the current capital program, the additional ones, those would be done through a debt service not necessarily a self-funded service; as the Board knows, the Utility Services Department has two utilities, the Countywide system and Barefoot Bay; as he shared the FY2029 projection, staff is also looking at Barefoot Bay in terms of a \$51 million increase; a big part of that is associated with staff looking at the vulnerability of the utility as a whole, not just a Barefoot Bay, but a whole under the jurisdiction; and he noted that Barefoot Bay has the highest vulnerability out there; he would like to say beaches but they have made improvements; there is more to come; and historically Barefoot Bay has not been able to fund itself to where it needs to be. He mentioned the water plant is from 1963, the wastewater plant was done in 2005; what they invested in 2005, was done economically due to the finance structure of Barefoot Bay; when looking at doing this investment to get them to the point where they consider it a viable and reliable system; they talk about the water and the wastewater plant; they do it, not only for the reliability, but they see growth occurring in Barefoot Bay and with the additional septic to sewer coming on they would also add some flexibility for future expansions if needed; this graph is showing at the current Barefoot Bay rates and the CPI, if they were to implement what they want to with the \$51 million program, in Fiscal Year 2022 they would break even, but technically they cannot because there is a bond requirement that they are still currently paying off the debt of the purchase of Barefoot Bay, which is approximately, he thinks under \$9 million, there is still \$8 million left, and with that there is a bond covenant requirement for reserves so there is not really flexibility in the financials associated with it; and looking at Barefoot Bay as a stand alone system, staff has provided the option of looking at a rate adjustment just for Barefoot Bay. He added in Barefoot Bay predominantly, most of the customers there are both water and sewer, so when looking at the water and sewer bill cumulative that is pretty reflective of most of the customers; they are looking at a 14.5 percent increase and that changes slide from a monthly bill perspective; he explained the green arrow or the solid black line really shows the flatness of how they collect further revenue on the existing rate structure and how the dotted line would really propel staff to get to bridging the gap; and talking about all the requirements of the investment needed, that would all be done through a debt service program. He mentioned when talking about rates, it is always interesting to see how the County compares with other utilities and utilities that are within the County; he has provided a broad spectrum of utilities, some within the County, some without; looking at the bottom right corner they have been summarized to show how Brevard County compares with its neighbors; right now this is the sewer rate, and it is really predominantly what Brevard County is as a utility, so 95 percent of the customers represented under the utility services, are sewer only customers, because their service goes through the City of Melbourne, City of Cocoa; the five percent not accounted for would be what Mims would provide; that really gives an indicator of how Brevard County compares; and right now they are the lowest in the County. He reiterated the only people this would really fall under would be Mims, they are true water and sewer customers; again, this shows relative to other utilities, how Brevard County compares with that; based on growth, the eight percent Countywide, and this sewer rate comparison for the Countywide, and based on an eight percent in Fiscal Year 2022 and eight percent in 2023, they would still be lower than what Palm Bay, Cocoa, and Titusville are today, without them ever doing a rate increase; he

mentioned the indexing associated in 2013, when the Board approved the rate increase that was presented to them, they also approved an index, and in the index they used the CPI index; in experience and talking with the rate consultants, the CPI is not an accurate assessment of an index associated with a water and sewer matrix; the Bureau of Labor Statistics actually has a water and sewer matrix, and it provides an indicator of how the comparison of CPI to the matrix that they currently have; and he knows there is an approach that when rate indexes or when rates are approved they do not come back with more rate increase in the future and putting the correct index to that helps that probability of needing to. He went on to say this is really about the vulnerability perspective of Barefoot Bay and this will be concluded during the last part when he asks for direction, but when talking about Barefoot Bay, there is direction needed on how to proceed; option one is status quo, no change in rates, indexing, and not merging it into the County system; option two is to adopt the rates for Barefoot Bay independently which is the 14.5 percent model and in addition, Barefoot Bay operates on their own rate Resolution and many of the costs are cheaper than what is in the Countywide system; for example, a connection fee associated in the Countywide system that would be \$2,200 is \$760 in Barefoot Bay, so it would go through those corrections in order to get those rates adjusted accordingly; the third option would be to integrate Barefoot Bay into the County system; the idea of this is if they hold the Barefoot Bay rates where they are and they identify that the Barefoot Bay rates are high, that is to be determined by the Board, is to hold the Barefoot Bay rates and over the course of time the County rates over a three or four year period will actually equal what the Barefoot Bay rates are; if in year one the County can integrate Barefoot Bay into the County system, hold the Barefoot Bay rates, and adjust them up, it would not be the 14.5 percent increase associated with Barefoot Bay customers and it would basically incorporate the financials into the Countywide system and give the Department some financial flexibility on how to operate the utility as a whole; and he mentioned he wanted to bring the point out about the CPI versus the waste water maintenance index and show the comparison with the hope that utilizing that will not be a need five to 10 years down the road because they are hoping the index is reflective. He continued by saying they are looking at achieving financial targets, funding the projects that are being mandated at a State level, whether specific through Florida Statutes (F.S.) 403 or the expectation of septic to sewer or of minimizing discharge; he is seeking direction on how to approach the Countywide rate, the Barefoot Bay rate, the idea option three presented which was discussion of merging Barefoot Bay into the County, and also the direction of utilizing the different rate index in lieu of the CPI.

Commissioner Lober stated as far as switching from CPI to the water and sewer index, that just makes sense, and he will make that motion across the board; beyond that, looking at the options, he will explain why he does not like option three, and he asked for forgiveness for his sarcasm, basically Barefoot bay came to the Board and said it had totaled its car and asked the Board if it wanted to buy it and make the remaining payments on it, and the Board said sure it would buy it, and it is still paying for it, as was mentioned; and he asked if that was \$8 or \$9 million.

Mr. Fontanin responded \$8-plus million.

Commissioner Lober noted that is an obscene number for what the County received, the County should have been paid to take it over as opposed to pay to take it over, but it is where it is; now the folks that sold the County a salvage car are asking if the County wants to buy them a new car; there is no way that he can meet his fiduciary duty to District 2 constituents and go for option three; he knows that may be unfortunate or is unfortunate for the Barefoot Bay residents, but the County is in a situation where he does not know that the rest of the County can subsidize; as far as option one is concerned, he has concerns with that as well; he mentioned earlier that there were a few things he feared in life, while he fears fecal matter in

the river; his concern is that Mr. Fontanin has suggested the County needs to do X, Y, and Z to get to a viable and reliable system and that would clearly indicate that the County is not at a viable and reliable system; he gets fully that anything can break, he could buy a brand new Toyota Corolla and it can break, but if he is driving the one that was flooded, the chance that is going to happen with 200,000 miles on the engine, is a little higher; he does not want to wait until there are more issues with Florida Department of Environmental Protection (FDEP) as far as consent judgments, and he also does not want fecal matter in the river because it negatively affects property values; it is horrible from an environmental standpoint; and he is not going to go on and on about why he thinks that is an issue. He pointed out that he thinks something in option two is appropriate as far as keeping the systems separate, because he would not support anything that involved consolidating them; he does not think he can do that and maintain the duty he has to his constituents; as far as the rate changes, and what makes him uncomfortable, it is going about these somewhat drastic percentage-wise increases for folks that have difficulty; he would like to have some mechanism in place where their sewer and water are not going to be shut off if they are in arrears to some degree, based on this increase in charges; it would continue to accrue and they would still owe it, but he does not want someone who is destitute, not working due to COVID, to have to be concerned that if they flush their toilet it is not going to work or that if they turn on their faucet it is not going to turn on; it is the cost of not having the river turn into a cesspool; and he really feels so strongly about it that there is nothing that is going to get him apart from option two, and if someone wants to argue they will have to get another Commissioner apart from him because that is where he is at.

Mr. Fontanin stated he knows this is just in discussion mode; the rate revenue in option three shows a slight increase of one to two percent up through 2025, in addition to what would be on the Countywide system; and he inquired if the rate increase were to be consistent instead of the 8.92, the 9.33, but to follow the recommendation of the County-wide system, and bring it into the County would that be a consideration.

Commissioner Lober responded the short answer is no.

Chair Pritchett stated she had a thought on that, but she is probably right there with Commissioner Lober; as far as the increase for regular, she lives in the City of Titusville; the average there is \$79.67 and the average in Titusville is \$109, so the County rates are incredibly lower than the municipalities; she thinks for the things that the County needs to get done, and they have not even talked about the capacity issues, she thinks the Board needs to get some of this weight off, so staff can start working on some capacity; she would support this because it is just going to increase the water bill up to \$79.67, which she thinks is still way under the rest; she thinks as it goes on in years it might be a discussion depending on how money is coming in; and this is a user fee, people are using it, and they should be paying for these things as well to keep utilities running effectively and efficiently.

Commissioner Tobia stated there are two issues that he has mentioned quite clearly, Barefoot Bay and then the rates; first he would like to discuss Barefoot Bay which falls exclusively in County Commission District 3; he wants to talk about something that he thinks the Board talks about far too much, as it sometimes has a mentality that each Commissioner is a District, but the Board members really are not, they are a place holder and districts change; he at one point in time, represented a district that he no longer lived in while in the State legislature; things change and he thinks the Board is entrusted with all of Brevard County; and the IRL does not uniquely impact three and not five or one district. He added he thinks the Board members need to look at the broader picture, yet he says Barefoot Bay falls exclusively in his District, but no matter what happens here, he will end up on the short end of the stick, so he just wants to lay out all of the data points that he has and find out where the rest of the Board is at on this

one; and no matter which way this Board goes, his phones will light up and people will say he made the wrong decision, whether he hears it from the constituents in Barefoot Bay or whether he hears it from the constituents that do not live in Barefoot Bay. He stated the first issue is option one, if the County were dealing with a clean Lagoon, but that system is at its failing point, and he thinks Mr. Fontanin said that they were going to have some major issues coming up; if the County does not adjust the rates bad things will happen; and he inquired with Mr. Fontanin if option two is just placing a band-aid on the situation.

Mr. Fontanin replied no, staff did the due diligence and option two is looking at Barefoot Bay as an independent entity.

Commissioner Tobia remarked Mr. Fontanin mentioned it has been around since 19 something.

Mr. Fontanin responded he does not know and asked others.

John Denninghoff, Assistant County Manager, advised the treatment plant was 1963.

Commissioner Tobia stated he does not know that it is long term solution, that this is something that a new facility would meet; conversely, it is very difficult to ask the average rate payer to pay eight percent more and then take Barefoot Bay citizens, and that eight percent, they are paying so much more right now, if they were to drop down to that lower rate they would actually be saving money; the issue with this is if the County has new capacity, that means new growth and new growth in the south part of the County, means his phones light up; and he explained what he is trying to say is whether the Board increases the rates 14 percent, his phones light up or if the Board were to add them to the system and increase capacity, his phones light up; and he is not advocating on one side or the other, he would just like the holistic approach to this, what is going to be better not for the people of Barefoot Bay and not for everyone outside of Barefoot Bay in County Commission District 3, but the entire County. He went on to say from his understanding, and he could be confused, but he inquired how that is not option three; option three adds them into the County system but keeps their rates where they currently are, which even if someone were to increase and they are so much higher than everyone else, and if the County were to increase everyone eight percent, they are still leaps and bounds, \$20 to \$40 more than everyone else.

Mr. Fontanin noted there is a three to four year catch-up.

Commissioner Tobia stated he does not know if there is a hybrid approach to any of these things, but he can guarantee that he is still going to hear concerns that rates are higher; what that would also do, from what he is being told, is that the hookup charges, if the County did that, would then go to the Countywide hookup charges; and he inquired if that was correct.

Mr. Fontanin responded they would.

Commissioner Tobia stated he is not saying \$2,100 is an unfair amount, but from the perspective of the people in Barefoot Bay they would see it go from \$700 to \$2,100; he would argue that is an issue of parity so he would strongly support that; he noted to remember these are manufactured homes and these people with a homestead exemption generally pay quite a bit less in property tax which he often has to explain to them at their dismay; his point to this is he is trying to look at it from a parity issue, because he is going to hear it from both sides; and what he wants to hear is what the rest of the Board's thoughts are because his underlying principle is what is best for the Indian River Lagoon, when it comes to the water treatment facility.

Commissioner Zonka stated she is sort of where Commissioner Lober is; she understands it probably makes Mr. Fontanin's life a little easier to integrate them completely in the County system, but the County agreed to take on that train wreck, and she does not like the idea that the rest of the County has to pay for it; it is a decision the Board made and it does not mean that the County should not take care of a failing part of the County; it would be the same for any neighborhood the County cleaned up or any road that it does; she is okay either way; and she mentioned she wished that Commissioner Tobia had a position because that is his area. She mentioned she is on the fence with this one, because she does not think the rest of the County should suffer for it, but this is one County, so the Board needs to take care of the entire system; she thinks it would make the Board's job easier just to integrate them in; and she mentioned should they pay a little more for the first few years, if it can be done legally, yes, probably.

Mr. Fontanin stated staff can propose it; and he commented the options presented are just a flavor but staff can look at different dynamics.

Commissioner Zonka stated maybe after a few years or after their system is at least to the average of what the County is, maybe that is when the County brings them equal to the County's rates, because they are already paying a lot of money now.

Mr. Fontanin added in addition to a rate he does not even know about doing an additional Municipal Service Benefit Unit (MSTU) on top of it.

Commissioner Tobia noted that was only for Barefoot Bay, and he asked if he could have time for the rates afterwards.

Chair Pritchett responded yes.

Commissioner Tobia responded he is good either way; and if the Board did a 14 percent increase he would hear from the folks and their hook up charges would still be independent, so it would be the 700 as opposed to \$2,100 or \$2,200.

Mr. Fontanin answered yes; one of the things he would propose is if the Board does the 14.5 percent, to allow the Department to come back and also update the rate Resolution for Barefoot Bay because the \$760 they are paying is really low; and these are the rates that were inherited from back in early 2000 and they have never been adjusted.

Commissioner Tobia asked if they were on an independent system.

Mr. Fontanin responded affirmatively.

Commissioner Tobia stated he does not expect them to pay more and not get the same level of service that they would otherwise be getting with a new County system and all that good nonsense.

Mr. Fontanin responded in the affirmative.

Commissioner Tobia stated then there is the parity issue; that he would have trouble doing; put them on the system, increase the charges, and increase the fees, that is great, but leaving them on the current system and then charging them as if they were on the other system is just not fair, to the hook up charges and all that good nonsense; they are either unique or they are

all within the County; he thinks it is one or the other; and he noted he is not arguing for one he just thinks the hybrid to both, is they get the short end of the stick.

Mr. Fontanin responded that connection fees are also referred to as impact fees and impact fees also fall under Florida Law; if he were to propose a new connection fee there is a due diligence calculation, what the rate consultants would help with; it is not an arbitrary number that staff can just use; that would be if staff looked at Barefoot Bay independently; if the County looked at Barefoot Bay merged into the County system, those numbers were already looked at, and he believes it is around \$2,200 which is a calculation in order for the connection fees, and they are used for capacity increase only; it is not about replacing the same line with the same line, it is about the extra capacity; as a comparison, the riverside project was up-sized by four inches, the diameter of the existing cannot be used by connection fees but the four inch increase can; and he is just letting the Board know that if it is the Board's direction that Barefoot Bay be independent and staff were to come back and talk about the modifications to the rate resolution, they would do a due diligence as part of that.

Commissioner Tobia mentioned just to be clear the viability of the system in Barefoot Bay, given the option two rate increase of 14.5 percent, the health of the IRL would be no worse if that was scrapped, and they were on the larger system; and he asked if that would be fair to say.

Mr. Fontanin noted he is trying to answer the question correctly; and he asked if what Commissioner Tobia was saying was if they were or were not to do the 14.5 percent.

Commissioner Tobia mentioned the difference between putting them on the system and leaving them, but ultimately there needs to be a new water treatment facility; and he asked if that was correct.

Mr. Fontanin agreed with that statement; and he pointed out water and waste wastewater.

Commissioner Tobia stated that is what the County is failing to discuss at this point, whether or not to merge them all on to that system prior or not at all.

Mr. Fontanin responded affirmatively.

Commissioner Tobia commented that is the larger one, and he thinks that gets into the rate increases; and he asked for his two seconds on the rate increases.

Chair Pritchett had Commissioner Tobia continue.

Commissioner Tobia advised he cannot vote for the eight percent, and he does not like to say he does not like increases, he thinks there has to be a reason why because there are additional costs and mandates; Commissioner Lober and himself lost at the last meeting with a 2:3 vote about redirecting SOIRL monies that could be used for infrastructure, new wastewater plants; the SOIRL Committee did their job as requested but plans change, and that money could have easily been redirected to that infrastructure to lower that potential increase and have the same amount; and it would most definitely be above the CPI of 1.234, and it would also be absolutely lower than the eight percent that it currently is. He noted he does not know where it is, but he does not think that it would be fair to vote against a rate increase and not provide a reason as to why; and if anyone wants to go back and change that plan he would certainly be more willing to do that, but if not that is why he cannot support it.

Chair Pritchett inquired where Commissioner Tobia is on the rate index now.

Commissioner Tobia inquired if Chair Pritchett is asking about the eight percent.

Chair Pritchett responded no, there was a rate index to where staff did not want to do the CPI but do what was recommended nationwide with the Water Sewer (WS) Maintenance index.

Mr. Fontanin commented this is just a snapshot over the last three years and if the Board wants to place a cap, such as three percent, staff has worked with a cap before; the message he is trying to make is not to utilize the index more inclusive for a utility, there is a \$2.8 million shortfall; to look at the previous slides it shows three percent; and if the water, sewer, and maintenance were to exceed above three percent staff would cap it at three percent, if that was the desire of the Board.

Commissioner Tobia inquired where the water, sewer, and maintenance index has been over the last five years.

Mr. Fontanin replied they only did the last three years.

Commissioner Tobia asked what it has been over the last three years.

Mr. Fontanin stated it is right on the screen; the reason he did just the last three years is because in 2013 it was in Fiscal Year 2018 which the indexing occurred; and they were using that as a snapshot.

Commissioner Smith mentioned he is just taking it all in; he thinks it is extremely important that the systems get upgraded as necessary; he thinks it is imperative that the rate payers pay for it, not all the taxpayers of the County; and he has made that clear before. He went on to say he thinks to do what Commissioner Tobia is suggesting is a bail out from his perspective, and he is not keen on that; if the Board has to raise the rates, then it has to raise the rates because the rate payers own the system; and that is where he is at.

Chair Pritchett asked if Commissioner Smith is a yes on the Countywide rate adjustment.

Commissioner Smith responded that option two sounds good to him.

Chair Pritchett repeated option two is good for Commissioner Smith as well; and she asked Commissioner Smith how he feels about the rate index.

Commissioner Smith advised he is still undecided on that.

Chair Pritchett stated she has Commissioner Lober's, and she still has to get Commissioner Zonka.

Commissioner Lober remarked he wants to make sure the Board is all on the same page with respect to option two versus option three and what it really means apart from what is pretty patently obvious on the paper.

Chair Pritchett mentioned she thinks the Board has it, that there is an understanding so she thinks the board just needs to get the votes in to give staff direction; and she commented she understands and asked if the rest of the Board understands.

Commissioner Lober responded he has gotten the impression that there is a little disconnect; and it seemed that there was at least a suggestion that going with option two might be untenable or might somehow be harmful to the Lagoon, at least that is what he was starting to

perceive.

Chair Pritchett noted she does not think Commissioner Tobia was saying that.

Commissioner Tobia advised he just asked the question, and he thinks the Board got an answer that it would not be.

Commissioner Lober responded as long as the Board is all clear on that; and he did not want that to be a disincentive for folks to go a certain way.

Commissioner Tobia mentioned he was not advocating one way or another; he just wanted to know before he made that decision; he would be okay with the last ones, which were 3.4, 3.2, and 3.1, with a cap; and he would do it at the 3.4 which is the highest of those.

Commissioner Lober advised there is a standing motion still as far as moving from the CPI to the water and sewer index.

Chair Pritchett responded she did not have a second on that yet, so she thought this discussion was very good.

Commissioner Zonka commented she thinks she understood clearly, but since there was a lot of Barefoot Bay discussion, she asked Mr. Fontanin to discuss the scenario exactly because she wants to make sure everybody understands; she asked again to explain the exact scenario if the County integrated Barefoot Bay into the system; and she inquired what would be ideal for not just the County system but for maintenance and management because obviously the system is broken, antiquated, and risky. She inquired how to do this as smoothly and fairly as possible and to make it easy for Mr. Fontanin to make plans for future capacity etc.

Mr. Fontanin responded that he appreciates that; he went on to say it is not only the flexibility financially, but it also provides staff, by merging into the County, a flexibility operationally; he has talked about the CIP, the operations, and maintenance of Barefoot Bay, but technically to bring staff from the Countywide system into Barefoot Bay, they have to be charged to the Barefoot Bay accounting system because they are providing a service in Barefoot Bay; and it is almost like the equivalent if the County were to go into another municipality that had their own jurisdiction, they would be back-charged.

Commissioner Zonka stated Barefoot Bay is already paying more than what the County is paying right now.

Mr. Fontanin responded affirmatively.

Commissioner Zonka continued by saying it is hard to blame the Barefoot Bay residents; it is an older population and probably a lower income as well, because of the type of area; her concern is she does not want to hit them all at once, but at the same time she wants to make sure that the rates will be increased so the County can maintain and keep up with the growth; that is the maintenance rate of three percent, assuming that the system is at least at the average acceptable level; and she inquired if that was correct.

Mr. Fontanin responded yes; and he commented he is sure there is a baseline that they are not meeting, but this is what is being published.

Commissioner Zonka inquired if the County is meeting the average, of not just capacity but proper maintenance.

Mr. Fontanin responded this is why staff is doing a very aggressive approach on doing the assessments of every component of the County's assets, because that is part of the calculation; there is a bit of a guesstimate, because as staff goes through and assesses, there was an area in Indialantic that they thought would have a horrible gravity system, but upon assessment, they were actually in good condition; staff is finding some things in Barefoot Bay that are exceeding in a not so good way in their assessment; the index and the 14 percent, a lot of those being outside of the water, wastewater plant which is definitely a need; they have put a pool of money aside in order to address the existing infrastructure and whatnot; staff is hopeful that will be sufficient; and staff is confident, but they are still going through that process.

Chair Pritchett asked Commissioner Zonka where she is at on the County rate adjustment.

Commissioner Zonka responded obviously the Board needs to increase it; the discussion comes to where it is between the three percent and what the utility is asking for; she would be okay with it slightly higher than that, but she does not know that she would be quite at the number that was brought back; she has also changed her mind a little bit learning more about the Barefoot Bay system and what that means as far as integrating them into the system versus not; and she thinks she would rather see them integrated based on the information Mr. Fontanin provided today.

Chair Pritchett noted she has three option twos and an option three; and she is not sure Commissioner Tobia knows where he wants to be yet, which is going to carry a lot of weight with her.

Commissioner Tobia stated he does not win either side of this one; Commissioner Lober mentioned the wrecked car scenario; he asked Mr. Fontanin to tell him how the people from Barefoot Bay would be getting a bailout if they were to go on the County system, pay their current rate, and not have an increase until the County rate met the Barefoot Bay rate; he is trying to understand; they would be paying more than the County; and he asked if that would make up for the million dollar bond or that \$8 million bond. He asked if there is a number that the County could increase that would make up for that \$9 million bond so they were not getting a bailout, or is that so untenable.

Thierry Boveri stated he is with Raftelis as the Senior Manager, and he was principal in doing the analysis for what is being presented today; he thinks there was a lot of discussion about what is the benefit and drawback of some different options; the discussion right now is centered around option three, and integration with Barefoot Bay; one of the things to keep in mind is when doing an integration like that, there is a benefit because it is like a regionalization; and the benefit to everyone for doing that is everybody is kind of paying the same revenue into the same bucket.

Commissioner Tobia commented he thinks Mr. Fontanin explained that very well; he understands where Commissioner Lober is coming from and he agrees; he does not want them to benefit from the situation; and the question is, even taking that synergy into account, how much would the County have to raise rates so the \$9 million bond could be fully covered.

Mr. Boveri stated right now he is speaking in rough numbers; Barefoot Bay generates about a

little over \$4 million a year in revenue; if they were to take them to the County's existing rates, they will be generating a little over \$3 million in revenue; and when thinking about it, in perspective of the bill impacts that were presented earlier, they were around \$100 and the rest of the system is around \$70 or so, and so the percentages, in relationship to that, kind of make sense. He went on to say the County would be able to cover the debt service and operating expenses, but they would not be able to cover all of the things that were identified to be funded in the Barefoot Bay system, including the improvements that were indicated to be necessary for the benefit of the environment associated with the improvements to the water and the sewer systems; what the County would have to do is probably keep the rates where they are at now; and if the Board were to integrate them, as was presented in option three, and raise their rates, either at the same rate or keep them flat and let the County rates approach to the bill over time.

Commissioner Tobia inquired if that is option three as it states.

Mr. Boveri responded affirmatively, and stated it will approach it over time, but another one could be that it could still be integrated, and there would be a benefit of the integration of the two systems.

Commissioner Tobia commented he thinks the question becomes whether people are getting an advantage in Barefoot Bay with option three; Commissioner Lober said it was a bailout, and he is not arguing; and he asked if there is a number that the County could increase what it has right now to offset that whether the difference between the \$9 million bond and what the County would be saving by integrating them into the system.

Mr. Fontanin commented staff would have to go through that analysis.

Commissioner Tobia went on to ask Commissioner Lober if the Board could solve that and they would gain a unique benefit, if he would have any issue with Barefoot Bay joining the system.

Commissioner Lober stated no, but with a caveat, because they are addressing half of the coin here by addressing the bond; that is a big part; knowing the system or his understanding is that their system is in a far more tumultuous, far more deteriorated state than the rest of the County, is there a delta to even get them to where the rest of the County is, knowing the rest of the County is not where it needs to be either, and he would want to see that before integrating them into the County system; he is not saying no, but there are some conditions that have to be addressed first; and that would be the first as mentioned, and the second to get them to where they essentially match the rest of the County either per capita or per area cost level so it is not that they are spending four times as much in Barefoot Bay to buy the new sewer plant even if they were to wipe out the bond that the County is paying on the old one. He added if the County could wipe it so that it is all on a level playing field, on the front end then he would go along with integrating them.

Mr. Fontanin stated as he talked about the Barefoot Bay system, they discussed the \$51 million; he knows a lot of entities associate the State Revolving Fund as being the source; and the State Revolving Fund is capped at \$20 million per year.

Commissioner Lober inquired if that is per project.

Mr. Fontanin responded in the affirmative. He stated there is no guarantee that the County will get the full \$20 million because the way the State Revolving Fund works, it is an allocation that comes from the Feds to the states; then it is a function of the demand; obviously with the State Revolving Fund, they try to give as much as they can across the board; talking about a local

example, the City of Palm Bay just did an award, he thinks, for a new wastewater treatment plant at \$26 million, State Revolving Fund; and they submitted the application for the State Revolving Fund of which they stated they could only get \$20 million, and in order for it to be awarded they had to do a short-term loan for \$6 million. He mentioned the benefit of merging Barefoot Bay into the County system, it also includes the bond rate benefit; if the County has to do a loan of some sort, the financials of Barefoot Bay right now would not be very favorable in a low interest rate loan of any sort because of that; and by bringing them into the County it gives the County that flexibility to utilize Barefoot Bay, if it decided to.

Chair Pritchett stated she is not sure where Commissioner Tobia is, but she is starting to go more towards option three; her thought is she does not think there can be growth right now because there is no capacity; she thinks if the Board does this, because it is going to have to do something to fix it down there; the Board is going to have to do something with wastewater; it is going to be County revenues as well, coming in down the road; she cannot really visualize the financial abilities with that; and she inquired if the Board could come back and discuss this when it has more of the numbers before it just says option two or option three.

Commissioner Tobia stated he is sensitive to what Commissioner Lober said; he does not want the people in Barefoot Bay to be getting a selected advantage because of the terrible system that they currently have in place, through no fault of their own, it is probably fault of the County for accepting it, however it is in the past; whatever holds the rest of the rate payers neutral, whatever that fee is, if staff can bring it back and say instead of having to increase it \$14, maybe it could be increased \$16 and everyone else gets that new CPI, that new index, until they meet that number; staff just needs to give the Board a number, if it is somewhat reasonable; he is just not comfortable giving a unique advantage to some folks at the expense of the rest of the County; and he does not think that is very fair for rate payers. He added it sounds like the Board is all in the same place, as long as Barefoot Bay does not get a unique advantage.

Chair Pritchett responded maybe Mr. Fontanin can bring something back to the Board and it can spend some time with him; she is thinking that it is a certain amount here and if the Board does it and the County ends up making more money and being able to handle that capacity issue, it might be good for the long term; and she does not have the numbers so she cannot see it right now.

Mr. Fontanin commented the County has the benefit of the rate consultant to go through that due diligence.

Chair Pritchett commented she thinks it was a good talk with good questions; if staff would come back with that, it would help her a little more in the decisions; and she advised Commissioner Tobia is going to have a heavier weight with her than the rest of the Commissioners because he lives in that area.

Commissioner Lober noted he truly does not know the answer to this question; and he asked if there is anything unlawful or prohibited with the County, if the concern is getting funding to do what needs to be done, in the thought that staff just cannot get reasonable terms pledging revenue from another source, for instance from the County as a whole.

Mr. Fontanin responded the County can loan it; there is a process that he is not familiar with; and it would have to be something that would go in front of the Board in order to do so.

Commissioner Lober mentioned he does not want the Lagoon to get polluted because there

simply is not enough money, to him that is not an acceptable alternative; and if the Board can pledge the rate payers payments for the whole system for the purpose of fixing that section of the County, knowing that it is not what is going to be used to pay for it, and that it is going to come from that section of the County, he would be okay with that.

Chair Pritchett inquired if Commissioner Lober means taking a loan from another department to do this.

Commissioner Lober responded as long as the Board knows that it is setting the rates that can service the debt; and if it gets staff a lower percentage cost to either enable something to be done or to get it done for a lesser amount then he is okay with it.

Mr. Fontanin stated he is not just talking on the cuff on this, but by doing that, it would increase the debt service for the Countywide system, so there is an off-set with that.

Commissioner Lober commented maybe he could talk with Mr. Fontanin outside of this; and he apologized for ambushing Mr. Fontanin with that.

Mr. Fontanin responded it is okay.

Chair Pritchett responded Mr. Fontanin has an agreement with raising the rate adjustment; she thinks some of the Commissioners want to have a little bit more discussion on the rate later; with Barefoot Bay, she thinks Mr. Fontanin is going to come back to the Board with those; and she thinks there is a consensus on the rate index. She advised Commissioner Tobia that she is comfortable with the 3.4 percent cap; and she asked if the rest of the Board agrees.

Commissioner Lober stated he would suggest to allow a little more flexibility, that it be capped at 6.8 over any two-year period; the problem is if there is a year that is higher than 3.4, the maintenance costs are not going down, and he hates to set the County up knowing that it is being capped in a way that may more significantly impact the County in having a deficit between what the actual maintenance costs are and what they really end up being permitted.

Commissioner Smith agreed; and he stated the County will never catch up if there is a down year.

Chair Pritchett advised she would agree to that if it is stipulated that if it ever goes over the 3.4 that the Commission would at least know about it for conversation.

Commissioner Lober mentioned that is fine and that he would modify his existing motion to switch from CPI to these purposes Countywide, to the water and sewer maintenance index capped at a maximum increase of 6.8 percent over any two-year period; and if any year is going to exceed 3.4 that it be brought back as an Agenda Item at the next available Commission meeting.

Chair Pritchett stated Commissioner Lober stated he is going to make a motion to do the new index, if the index is ever over 3.4 percent it would have to come back to the Commission.

Commissioner Lober explained it would be for informational purposes, and if the Board wanted to take action at that point, it can take action to address it; by default, the motion would allow for up to 6.8 increase in a year, granted the likelihood that is going to happen is pretty trivial; and as Commissioner Smith remarked, the County is never going to catch up if it sets a cap that is too low, and the problem is those costs are going to continue to add up, and it will have

to get it somewhere.

Commissioner Tobia commented there are three data points, 3.4, 3.1, and 3.2; he does not know that it has ever been zero, but he is not comfortable if it goes from zero to six; he is comfortable at 3.4 or 3.5, but he reiterated he is not comfortable with 6.8 over two years; and he noted it becomes complicated.

Chair Pritchett mentioned that she thinks Commissioner Zonka is going to be the heavyweight in this; and she asked what Commissioner Zonka's thoughts were.

Commissioner Zonka responded without making Mr. Fontanin go into a full on presentation, she asked what is lost by not giving the rate increase that was recommended by the consultant, as far as capacity and maintenance; she stated she knows 3.2 or 3.4 percent is not going to get the County a safe system; and that is her concern. She noted she is not excited about any of this and she would have liked to have seen different things happen up to this point.

Mr. Fontanin responded the way he looks at it, and to look at the slide and use that comparison, it is one of those things that basically, and he is rounding, over three years there was a \$3 million shortage of revenue that could have been collected; and over six years it would have been \$6 million.

Commissioner Zonka pointed out she is talking about what the Board is asking for; she inquired what is being lost by a 3.4 or even a six percent increase from what the consultant is suggesting, what is the County losing; and she asked that Mr. Fontanin put it in real items, such as what the County is not going to do.

Mr. Fontanin responded less assessments, less staffing, less CIPs.

Commissioner Zonka explained that is Capital improvements and means expansion of the system.

Mr. Fontanin replied capital, repairing of existing assets; and it is that much less, that can be performed.

John Denninghoff stated it is not just expansion, it is also maintenance.

Commissioner Zonka stated that is exactly what she was trying to get at; that is her concern because the Board keeps hearing how the County has this system that is so antiquated; and there are pipes that should have never been put in the way they were.

Mr. Fontanin noted his Department functions on a balanced budget and it maximizes to what is budgeted; the larger the budget, in this case the \$3 million, is \$3 million more they could have been doing assessment in one fiscal year in lieu of spreading it out over three years; and it gives staff the ability to be more aggressive or proactive to find these shortages in the system and get them addressed sooner rather than later.

Chair Pritchett commented she thinks if the County would have done this all along it would not have to be looking at a higher percentage rate increase right now, it would be a little more competitive with the other municipalities; she is going to change her mind; and she asked if Commissioner Lober wanted to make a motion to just go with the water and sewer maintenance index, she would vote for that, but she does not know if he has another vote.

Commissioner Lober stated if he does, he will go back to the original motion and make it just the water and sewer; it is not that he wants anyone to pay a penny more, it is just that the County is going to have to come up with it at the end of the day; and if the County does not, it is going to be back in the same place where it is now.

Commissioner Smith stated it is realistic versus unrealistic.

Commissioner Lober advised he will modify his motion back to what it was originally, the CPI Countywide to the Water and Sewer Maintenance Index without a specific cap; and he asked that it be part of the motion, if it exceeds 3.4 he would like for it to be brought back, not necessarily for any action to be taken, but be brought back at the next available Commission meeting for discussion.

The Board approved changing from Consumer Price Index (CPI) to the Sewer and Water Maintenance Index without a specific cap, if it rises above 3.4 percent per year it is to be brought before the Board of County Commissioners at the next available Commission meeting for discussion.

Result: Approved

Mover: Bryan Lober

Second: Curt Smith

Ayes: Pritchett, Lober, Tobia, Smith, and Zonka

III. PUBLIC COMMENTS

Michael Bramson stated he is going to speak real quick on something outside of what he normal speaks of; he thanked everyone for what they had to say today; he commented the information given today and the acknowledgment of what is going on in Brevard County across the Board, has been fantastic; one thing that he thinks people forget, especially on his side of the table, is to thank everybody; he likes to talk about the people like Chief Schollmeyer, Chief Jorgenson, and Chief Kline, the staff, the County Manager, and those type of people who all work, and half of them he does not even know; it is that kind of people that sit on the side of negotiations; there are a lot of hours and a lot of work, and a lot of stuff that went into the presentation that was done on behalf of Fire Rescue; he thinks that magnitude of what needs to happen and what has happened over the past couple years is not reflected in the presentations that are heard over a short period of time; and he wanted to acknowledge that the firefighter's union and the firefighters recognize that, across the board with all the Commissioners and County staff; he noted there is still a long road ahead, but at least it is moving in the right direction; the comments that were made today he can tell the Board, have changed the way the Fire Department will move forward from this day forward; and that is the first changing direction of the ship that he has seen in many years. He reiterated he would like to thank everybody in the Brevard County staff for the amount of energy and the product they have produced today.

Chair Pritchett thanked Mr. Bramson for his comments, and stated that was very nice of him.

5. John Tobia, Commissioner District 3

Commissioner Tobia stated he just wanted to ask the question of the rest of the Board on two issues that he generally brings up; he is not asking for a motion; he knows this is the County Manager's budget, but as many parameters as the Board can give him to work within, he thinks that is what the County Manager was asking for on the Fire Assessment; and his questions would be to find out where the rest of the Board is on whether or not the Board will ask him to

craft a budget that would require the Board to declare a tax increase or to bust the charter cap, or look at either. He added he would, of course, set the parameters that staff does not do that; he understands there are a lot of variables out there; the Constitutional Officers have not yet put in their proposals; he thinks if the Board gives direction that it does not want to have to advertise a tax increase or that a charter cap was busted, he thinks that gives staff a little more sway with the Constitutional Officers when they bring in their budget; just for discussion, he knows he asked for a formal motion last time, he does not think he got one, but the County did come in with a great budget; and either way he thinks it is worth mentioning since this is a Budget Workshop.

Chair Pritchett asked Commissioner Tobia if he wants a discussion.

Commissioner Tobia advised if the Board wants to speak about it.

Chair Pritchett noted she would hope that the County Manager would do his best to come in with a budget where the Board does not have to declare a tax increase; she knows there is some optional funding available; and she would like for the County Manager to maybe keep the Board abreast of whether he thinks that is going to have to be something that the Board may or may not have to do, so it can make a decision on that at the next meeting, as the Board is talking about the assessment with these different options. She reminded everyone those are her thoughts.

Commissioner Zonka commented she would prefer not to have to advertise for a tax increase, especially if the Board is looking at seriously increasing with that Fire Assessment and the utility rates; and she thinks busting the cap would probably not be something she would support.

Commissioner Smith agreed with Commissioner Zonka.

4. 4. Bryan Lober, Commissioner District 2

Commissioner Lober stated he will merge this with his Board report; he will ask the County Manager to strongly endeavor and make every reasonable effort to draft a budget that does not exceed the Charter Cap with respect to advertising a tax increase, any action that would cause the County to have to do that; if there is something truly extenuating he will sit with staff; he does not know from the conversations that he has had with staff, that the County needs to do either of those things, and he would prefer not to; and unless it is absolutely unavoidable in order to maintain what has already been discussed as a priority, he just does not want to see a budget that comes back that way. He continued by saying he will have some items coming up at probably the next Commission meeting, but if not, the following at the absolute latest; there have been some interesting, a couple horrible, and one great bill that have originated in Tallahassee; he will start with the good and then move to the depressing; he is getting more feedback that there is more of a chance now, with legal ads, that this will get through; it has gone through one of the two chambers and is now at the other chamber; he is hearing there is a 50 percent chance that it is going to get through; and that may not sound great, but compared to where it was previously, it is a pretty good number. He went on to say on the bad side there are a couple of bills that are floating; there is one that deals with Regional Planning Councils (RPCs), and the bottom line with respect to that, the County will lose Federal funding if it loses the Regional Planning Council; he thinks there is some history that deals with Development of Regional Impacts (DRIs) and the RPC's history dealing with the DRI process; frankly, the County does not do that any longer, the RPCs, he thinks there are 11 in the State that do not do that; he thinks it is retribution or retaliation to a degree based upon the sin of folks who have nothing to do with the Planning Councils any longer; and it is essentially

punishing locals for something that took place, that no longer takes place that had nothing to do with it. He mentioned there was another item that was brought to his attention earlier this morning, by a colleague of his that is being backed unfortunately by the Attorney General's Office that would allow them to intervene; he is sure the County Attorney's Office have seen this, which would allow them to intervene, in civil cases that the County is involved with and essentially render the services of the County Attorney's Office far devalued; and it could get up to as far as the point of a settlement and they could jump in, the County Attorney having done the leg work, and the settlement funds would then become State dollars.

Commissioner Smith inquired if he is talking about the opioid situation.

Commissioner Lober responded affirmatively; he advised he will allow the County Attorney to jump in and address it; that is where it would impact the County most directly; it is certainly a concern; on the RPC's end he has been asked to bring forth a resolution; there are a slew of other local government entities that have pushed them through; and recently Space Coast Transportation Planning Organization (TPO) has pushed one through. He mentioned he was speaking with one of Volusia County's Commissioners and they had pushed one through; there are a lot of cities that have or that are doing that; therefore, he will be asking for support to push something similar through. He stated as far as the legal ad, he does not know if the Board needs to have a collective resolution; he will talk to staff later and see if they think it is going to make a difference; he will talk to a couple people who lobby in Tallahassee to see if they think it will make a difference, but he had individually sent messages to all of the State representatives and the State senators, just to keep them in the loop even though it is a house issue, encouraging them to support it; and the arguments from the newspaper lobbyists are specious at best, in the sense that they are talking about how many people read newspapers. He added that is wonderful, but the bottom line is that if none of them get to the legal ads it is irrelevant how many people read the headlines and how many people read pages A-1, A-2, and A-3; the couple times that he has polled the audience on this, not a single soul was there because of a legal ad; there are people who still read newspapers; they may have a value in that sense, but those people do not learn about issues, that are required to be noticed at the taxpayers expense, and do anything either to support or express disapproval, as a result of reading them, which suggest they do not read them; and he will be placing that on an upcoming Agenda.

7. Kristine Zonka, Commissioner District 5, Vice Chair

Commissioner Zonka thanked Chair Pritchett for taking the bull by the horns with the Titusville Cocoa Airport Authority (TICO) disaster; she stated she is happy to say there will be a change in management coming about shortly; as they go through this transition to try to find someone, it can take awhile, she inquired if it would be an issue to ask Steve Borowski to give them a hand for at least a month, or until they can get someone in there to sort out their finances and some other things; she mentioned she believes he has brought someone else in at the Valkaria Airport that could probably keep things moving and she knows he would not let things go ignored in Valkaria; and she trusts him. She noted she has not even asked him so he may say she is crazy; she just thinks Mr. Borowski has demonstrated that he can do a really good job; she wants to make sure they have somebody; and she just thought that it might be a good idea to get an expert in there to help them transition while they look for a new manager.

Commissioner Lober agreed.

Commissioner Smith stated he has talked to Mr. Borowski, and he said he would be willing to do that.

Commissioner Zonka responded Commissioner Smith knows more than she, but she did not want to put it on the County Manager and have him thinking he would not know if the Board would want him to pull a Director to do that.

Chair Pritchett asked the County Manager if he would be okay with that.

Frank Abbate, County Manager, responded he would be happy to, he just has to get it from the TICO board.

Chair Pritchett replied she could call the TICO board and tell them that they have that opportunity if Mr. Abbate is comfortable with it.

Mr. Abbate responded that is fine.

Commissioner Zonka stated she thinks they need to sort out some grants and stuff; she gives that board credit for the few that stood up; and she gives Chair Pritchett credit for being willing to take that on. She added hopefully some of the board members that have shown poor leadership up to this point will be transitioned out, and the new leadership that is coming in can have a voice; it would be a fresh start for them; it is sort of sad that the things that occurred there were allowed to go on as long as they did; she is excited for them; she thinks it is great; and if Mr. Borowski gives them some ideas, they can see how a real manager does a good job.

Commissioner Smith stated he has done such a terrific job down there, if he does not do anything else but educate them how to go after grants because he is terrific with grant.

Commissioner Zonka commented they probably need somebody good with grants on their staff.

Commissioner Smith stated Mr. Borowski could open their eyes, open some doors, and give them some perspective on what is out there, what is available, and how to do it.

Commissioner Zonka remarked she is sure Mr. Borowski does not want that job, but if he can help the board by guiding and showing them what they should be expecting from an airport manager and help them get organized because she thinks that has been missing for a long time; the Department of Transportation in Florida has not seen the TICO airport manager in six years; that does not happen in the real world; there were complaints after complaints, but it was never her area or her place to judge; and she is just glad Chair Pritchett took it on and she appreciates that because that airport has such great potential.

Upon the consensus of the Board, the meeting adjourned at 4:32 p.m.

ATTEST:



RACHEL M. SADOFF, CLERK



RITA PRITCHETT, CHAIR
BOARD OF COUNTY COMMISSIONERS
BREVARD COUNTY, FLORIDA

Kimberly Powell

From: Kimberly Powell
Sent: Monday, June 14, 2021 10:41 AM
To: Commissioner District 1; Commissioner District 2; Commissioner District 3; Commissioner District 4; Commissioner District 5; Eden Bentley; Sally Lewis
Subject: 02-18-2021 Budget Draft
Attachments: 02-18-2021 Budget Draft.rtf

Good Morning, all.

Attached are the minutes from the February 18, workshop, to be considered by the Board on July 6, 2021.

If there are any corrections, please let me know.

Have a wonderful day,

Kim

Kimberly Powell

Clerk to the Board

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