

MAYOR
Hal J. Rose

DEPUTY MAYOR
Pat Bentley

COUNCIL MEMBERS
Daniel Batcheldor
John Dittmore
Adam Gaffney
Barbara A. Smith
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BUSINESS ADVISORY BOARD

Minutes

April 22, 2019

1. CALL TO ORDER

Chair Ramses Rodriguez called the meeting to order at 6:31 p.m.

2. PLEDGE OF ALLEGIANCE

Chair Rodriguez led the pledge of allegiance.

3. ROLL CALL

Present: Chair Ramses Rodriguez, and Board Members Blaine Barton, Matthew Brothers, Brian DeGonzague, Allen Jean, and Rusty Melle.

Absent: Richard Naber, Carl Rutgerson, Rande Matteson, Arvind Maddikonda, and Amy Bromfield.

Also present: Council Member Andrea Young, City Manager Scott Morgan, and City Clerk Cynthia Hanscom.

4. ADOPTION OF MINUTES

Chair Rodriguez moved to approve the minutes from the February 25, 2019 meeting. Board Member Barton seconded the motion, which passed unanimously.

5. NEW BUSINESS

Business of the Quarter. City Clerk Hanscom asked the Board to make a recommendation to City Council for Business of the Quarter for the 3rd quarter of 2019.

Council Member Young thanked those Board Members for attending the presentation at the City Council meeting of April 16. The businesses receiving awards were very appreciative. Board Member Jean stated that Board Member DeGonzague spoke about the contributions the businesses had made and felt that it made a bigger impact.

Board Members discussed businesses that had been suggested in the past such as Sam's Club and Chick-fil-A.

Board Member DeGonzague stated that Einstein's Bagels had always been willing to donate to the school system. He also spoke of Classic Automotive Repairs, which is owned by Lisa Locke. He stated Ms. Locke had gone above and beyond and donated Thanksgiving and Christmas meals for the kids at the school. Ms. Locke had also volunteered at the school to package the meals so that the students could take them home. He noted that, when recognized, she was very humble about her participation. Board Member DeGonzague commented that Chick-fil-A and Sam's Club had also made contributions and would be suitable as well.

Board Members continued to discuss other businesses and noted that Wesley United Methodist Church had offered the use of the gym facilities to the Police Athletic League (PAL) children and recently made a large contribution to the Promise Café and Bakery. It was mentioned that the church may not have a business license.

Chair Rodriguez moved to recommend that Classic Automotive Repairs and Chick-fil-A be recommended to City Council for Business of the Quarter awards. Board Member DeGonzague seconded the motion, which passed unanimously.

Board Members asked that nomination forms be provided on the City's website so that members of the public could submit recommendations for Business of the Quarter. The availability of the form could also be mentioned in the City newsletter. It was also suggested that the West Melbourne Business Association could announce the availability of the nomination form.

Review of Proposed Sewer Rate Increase. City Manager Morgan presented a proposed rate increase for sewer that would impact the community. He stated this usually occurs every third year and the last increase was January 1, 2016. He explained that operating costs have gone up and there was a need for a rate adjustment. He provided an analysis of the impact and noted that the average increase would be about 1.4 percent, which would reflect an average increase of \$13 per month. He stated that this would be going before Council in July and would take effect in October.

City Manager Morgan said that, even with the increase, the West Melbourne rates were favorable in relation to those from Palm Bay and Melbourne. One of the reasons that he believes the costs are lower for West Melbourne is because the operation and maintenance of the plant is handled by contract with a private company, which reduces some of the costs associated with hiring full-time employees. In addition, it is a national wastewater company with good expertise provided from the entire organization.

Board Member Barton asked if the rate increase would apply to both residential and commercial. City Manager Morgan replied affirmatively.

Chair Rodriguez asked if the average increase would be the same for the larger accounts. City Manager Morgan replied that it would be similar but noted that it would be dependent on meter size and usage. For example, a higher user such as Bill's Car Wash would have a higher increase. He also explained that 45 percent of the rate is

fixed and 55 percent varies according to consumption. Therefore, the higher users would be higher but at the same percentage.

The Board discussed seasonal changes in water consumption and sewer use. City Manager Morgan said that overall consumption does not change seasonally because there is not a large snowbird population. It is typical for the treatment plant to have higher usage during the daytime and lower flows overnight. He noted that the daily flow uses about 55 percent of the sewer treatment capacity.

Board Member Jean asked if the increase related to inflation. City Manager Morgan noted that there is maintenance that is needed every year. Some of that maintenance cost is built into the monthly costs but some major costs impact the funding levels. He stated that the City is currently seeking grant funding to convert a neighborhood from septic systems to City sewer. In addition, grant funding is being pursued to make operational changes to the plan to improve the water quality of the reuse by reducing the amount of nitrogen. Both projects would improve overall water quality.

Board Member DeGonzague asked if the increase would allow the City to establish a fund balance. City Manager Morgan stated that there is a healthy fund balance in water and sewer, but this is the primary funding for capital improvements. He reminded the Board that West Melbourne was the only City in Brevard County that did not have a spill during Hurricane Irma. The rate is based on the current year budget for capital improvements.

City Manager Morgan stated he did not expect to see an increase in water rates, which is usually determined by the City of Melbourne as they supply the water. He informed the Board of the current feasibility study being done to consider building a water plant for the City. He believed the proposal would go to City Council in June or July. He expected the capital cost to be \$25 million, which would allow the City to continue selling water to customers at the current or similar rate. In the meantime, the goal is to pay down the existing water debt.

Board Member Barton asked where the plant would be located. City Manager Morgan stated the consultant completing the study was proposing three sites, one of which was at the existing public works yard.

Board Member Jean asked what would be the deterrent to building a water plant. City Manager Morgan stated that permitting would be key and the consultant has been working with St. Johns River Water Management District to determine if there would be allocation for water sources. He noted that if the plant were located at the public works yard, the briny solution residue from treating the water could be injected into the same deep well as that used for the sewer plant.

Board Member Barton questioned putting the water plant next to the sewer plant. City Manager Morgan noted that raw water could be pumped from anywhere and they believed the best location would be west of I-95.

6. PUBLIC COMMENTS

Board Members asked the City Clerk to research the number of unexcused absences by other members and come back to the Board with what can be done.

7. ADJOURNMENT

The next meeting of the Business Advisory Board is scheduled for Monday, June 24, 2019, at 6:30 p.m.

Chairman Rodriguez adjourned the meeting at 7:16 p.m.