

MAYOR
Hal J. Rose

DEPUTY MAYOR
Andrea Young

COUNCIL MEMBERS
Daniel Batchelder
Pat Bentley
John Dittmore
Daniel McDow
Stephen Phrampus



West Melbourne

FLORIDA

CITY HALL
2240 Minton Road
West Melbourne, FL 32904
Phone: (321) 837-7771
Fax: (321) 768-2390
www.westmelbourne.org

TO: The Honorable Hal Rose, Mayor
The Honorable Andrea Young, Deputy Mayor
The Honorable Dan Batchelder, Council Member
The Honorable Pat Bentley, Council Member
The Honorable John Dittmore, Council Member
The Honorable Daniel McDow, Council Member
The Honorable Stephen Phrampus, Council Member

FROM: Scott Morgan, City Manager

DATE: January 12, 2022

SUBJECT: Quarterly Status Report on City Council's Adopted Budget Objectives

The City is making good progress towards achieving our fiscal year 2021-2022 budget objectives. As of December 31, 2021, the implementation status of our adopted objectives may be summarized as follows:

1. New Water Plant

Complete the drilling and data collection from the City's test-production raw water supply well by June 30, 2021. Secure, by October 1, 2021, a St. Johns River Water Management District Consumptive Use Permit for an allocation of raw water supply. Provide formal notice to Melbourne that West Melbourne has elected to develop its own water production plant not later than December 31, 2021. Complete the construction of the water distribution system improvement projects budgeted in fiscal year 2020-2021 - the M-1 water main, the Melbourne Estates water line upgrades, the Fell Road water main, and the U.S. 192 water main crossing at Doherty - not later than September 30, 2022. Utilizing the data from the initial test-production well, budget for the development of at least a second production well and budget for initial raw water supply line and water plant engineering in fiscal year 2021-2022. Purchase, by September 30, 2021, an available 3.39-acre vacant property off Park Hill for the future water plant. Utilizing the full set of selected civil engineering firms under contract with the City, select, budget, develop the scope, design, permit, bid and begin construction by September 30, 2022, on a minimum of four additional distribution system improvements that prepare the distribution system to function properly at the start-up of the new water plant.

The drilling and data collection from the City's test-production raw water supply well has been completed. On December 14, 2021, the Board of Directors of the St. Johns River Water Management District approved the City's Consumptive Use Permit through December 2041 for an allocation of 3.76 million gallons per day of groundwater supply. On December 15, 2021, the City Manager provided notice to the City of Melbourne that West Melbourne will be exiting the 2013 Melbourne Water Supply Agreement. The M-1 water main and Fell Road water main construction are both nearing completion. Design of the U.S. 192 crossing at Doherty is nearing completion. The Melbourne Estates water line upgrade is nearing going out for construction bids. On September 7, 2021, the City

Council approved engineering contracts for three additional production wells and for the start of plant engineering. Work on these tasks were held until the Consumptive Use Permit was in hand, and has recently commenced. The future water plant property was purchased on July 14, 2021, and on November 2, 2021, the City Council approved preliminary grading of the site, which is currently underway. On November 16, the City Council approved the engineering for the Greenboro and Ellis Water Main Extension Project. On December 14, 2021, the City Council approved the engineering task order for the Wickham Road Crossing Project. On January 18, 2022, the City Council will consider an engineering task order for a reuse expansion feasibility study which is a condition of both the City's Consumptive Use Permit with SJRWMD and the City's recently renewed sanitary sewer plant operating permit with FDEP.

2. Flood Risk Reduction

Complete, by September 30, 2022, construction of the grant-funded drainage improvements for the Melbourne Estates neighborhood. Complete, by February 28, 2022, construction of the grant-funded new drainage retention basin on underutilized property at the Wastewater Treatment Plant. Budget for and install the replacement of two older neighborhood draining pipe headwalls – NW Shannon Avenue at the M-1 Canal and Lake Court at Melbourne-Tillman Water Control District Canal 84. Restore the stormwater special revenue fund to a positive fund balance not later than September 30, 2022.

The Melbourne Estates drainage improvement project is nearing going out for construction bids. Construction of the new drainage retention basin at the Wastewater Treatment Plant property is 90% complete and should be 100% complete by the end of February. On November 16, 2021, the City Council awarded a construction contract for the replacement headwall at NW Shannon Avenue and the M-1 Canal. The stormwater special revenue fund achieved a positive fund balance at September 30, 2021.

3. Sanitary Sewer System

Meet with Council-selected neighborhoods about potential septic to sewer conversion projects off of Sheridan Road and make applications for external funding for converting additional homes from septic to sewer. By March 31, 2022, complete the engineering design and bid the construction of a major, largely grant-funded, wastewater treatment plant processes improvement project that improves the quality of water distributed in the City's reuse distribution system. Budget, secure competitive quotes, and complete annual sewer manhole repairs, u-lining of gravity sewers, and rehabilitation of two or three sewer lift stations. Complete construction of the Meadowlane Avenue sewer force main replacement project by December 31, 2021.

Engineering for the significant Wastewater Treatment Plant process improvement project is approximately 80% complete, and should be completed within the next 90 – 120 days. Construction contracts for gravity main cured in place u-lining and for rehabilitating the Shoney's #127 Sewer Lift Station were approved by the City Council on December 14, 2021. On November 16, 2021, the City Council awarded the construction contract for the Meadowlane Avenue Sewer Force Main Project that is scheduled to start construction in late February. The City Council also approved an engineering task order to upgrade 1,650 LF of 16-inch reuse main along Hollywood Boulevard from Florida Avenue to the entrance of the Stratford Pointe Subdivision.

4. City Roads

Bid, award and complete the construction of the three road improvement projects budgeted in fiscal year 2020-2021 – the extension of Heritage Oaks and Doherty, the installation of a new traffic signal at Hollywood Boulevard and Imagine Way, and the construction of an additional eastbound lane on Norfolk Parkway approaching the Minton intersection – not later than September 30, 2022. Six months after the completion of the Heritage Oaks and Doherty extension project, conduct a traffic engineering warrant study to determine whether or not the stop-controlled intersection of Henry and Doherty might need to be signalized. Budget approximately \$450,000 for annual City roadway pavement maintenance and for restriping City roads, and complete the work by December 31, 2021.

Annual pavement maintenance and restriping, including Doherty Drive pavement repair, has been completed. The construction bid award for the Hollywood Boulevard and Imagine Way traffic signal is scheduled for the City Council agenda of January 18, 2022. Construction bids for the extensions of Heritage Oaks and Doherty will be sought upon securing of the required St. Johns River Water Management District permit. Engineering for the widening of Norfolk Parkway approaching Minton has been completed, and, after soliciting and not receiving any construction bids, City staff is awaiting a construction quote from Brevard County Public Works. The City Council will consider during the January 18, 2022, Council meeting an engineering task order from ISS to develop a concept plan for extending Fell Road east from its current terminus to Dairy Road.

5. Planning

Budget for professional planning consulting services for assisting the Planning Department in starting preparation of a draft of a new Comprehensive Plan with a horizon year of 2040, which will essentially represent full build-out of the City. Complete the draft new Comprehensive Plan by December 31, 2022, and schedule workshops, public hearings, and City Council adoption in 2023. Develop, by January 31, 2022, potential alternatives for possible Council consideration of new annexation policies.

The Planning and Economic Development Director is drafting a Request for Qualifications for consulting services for the Comprehensive Plan re-write.

6. Parks & Recreation

Complete, not later than November 30, 2021, the construction of the three park improvement projects budgeted in the adopted 2020-2021 budget that are not yet completed – the reroof, expansion and renovation of the park maintenance building in West Melbourne Community Park, the installation of new irrigation and landscaping in front of the wall screening the sewer lift station at the Veterans Memorial Complex property, and completing the renovation of the Clements Wood Park restroom. Budget for tree plantings in parks out of the tree mitigation bank, maintenance and improvements at Westbrooke Park, Clements Wood Park, the tennis courts at Bryant Adams Park, Tallwood Park, the U.S. 192 and Interstate 95 landscaping, develop conceptual design alternatives for the future provision of a shade structure over the splash pad and spectator seating for the skatepark in West Melbourne Community Park, and consider potential changes to Hammock Lakes Park to reduce future City maintenance costs. Work to bring additional special events to West Melbourne Community Park, including a well-attended festival-concert in the fall of 2021. Develop a near-term public use of the property, and prepare a master plan for the long-term future park expansion use of the three-acre City-owned property on Fell Road west of West Melbourne Community Park, and consider purchase of privately-owned undeveloped property for possible future park development. Host a summer day camp for children in 2021.

Renovation and expansion of the park maintenance building in West Melbourne Community Park has been completed. New irrigation and landscaping in front of the wall screening the sewer lift station at the VMC has been installed, with the tree mitigation bank funding the tree plantings. The renovation of the Clements Wood Park restroom is nearing completion. Restoration of the surface of the tennis courts at Bryant Adams Park has been completed, and contract tree trimming was completed in the U.S. 192 and I-95 interchange. During the City Council meeting of November 2, 2021, the City Council approved a quote for resurfacing and for installing a new shade structure over the splash pad in West Melbourne Community Park. Earlier this summer, several day camps for children with special needs were held in the Space Coast Field of Dreams section of West Melbourne Community Park and a day camp for special needs children was held on the tennis courts in Bryant Adams Park. Due to COVID-19, the planned fall festival-concert from the stage in West Melbourne Community Park originally scheduled for September 11 was postponed to a currently undetermined date.

7. Police

In fiscal year 2021-2022, continue to provide adequate budget support to insure the priority operational needs of the Police Department are met.

The adopted 2021-2022 budget allows for police priority operational needs to be met.

8. Fire Department Feasibility

Issue a Request for Proposals, select, and budget in fiscal year 2021-2022 for a major consulting firm to perform a detailed West Melbourne Fire Department feasibility study.

The Request for Proposals was issued on August 31, 2021, and the City Council selected the consulting firm during the City Council meeting of November 16, 2021. The consulting services contract has recently been approved, and work will commence this month.

9. Human Resources

Include within the fiscal year 2021-2022 budget non-represented employee salary increases, additional City positions to effectuate a City Manager's Office re-organization and succession plan, and consider select reclassifications and additional positions, including an additional position in support of the human resources function, and a new FIT intern position focused on sustainability issues.

On September 7, 2021, the City Council adopted a resolution approving salary ranges for the proposed new classifications and employee pay increases took effect October 1, 2021.

10. Finance

With respect to the City's near-term financial operations:

- Develop and adopt a balanced general fund budget for fiscal year 2021-2022.
- Continue the City's practice of funding the Police Officers Pension Trust in an amount greater than the established actuarial minimum, with the goal of maintaining a positive annual cash flow for the Trust Fund in fiscal year 2021-2022.
- Evaluate, by August 31, 2021, the need to extend, or potentially expand, the reduction in the City's building permit fee schedule so as to continue to draw down the City's excess building code enforcement reserve.
- Continue to reduce the City's remaining water/sewer debt in fiscal year 2021-2022.
- Achieve another Excellence in Financial Reporting Certificate from the Government Finance Officers Association for the City's September 30, 2021, Comprehensive Annual Financial Report.
- Consider in the summer of 2021 a potential modest sewer rate increase that, if needed and adopted, would become effective October 1, 2021.
- Seek to achieve positive cash flows in the water fund in fiscal year 2021-2022, even as water plant-related expenditures grow.

- Grow the City's general fund reserve, and, at a minimum, achieve the City Council's officially adopted policy of maintaining a minimum general fund reserve of 20% of annual expenditures at September 30, 2021 and September 30, 2022.
- While incorporating general fund appropriations to fund City Council budget priorities in the proposed 2021-2022 budget, seek to achieve the rolled-back City tax rate in 2021-2022 in accordance with TRIM calculations.

The general fund is balanced but for the portion dedicated to enforcing the Florida Building Code and the portion dedicated to roadway improvement and maintenance, where prior year reserves are budgeted to be drawn down. At the Council meeting of August 17, 2021, the Council provided guidance that the City no longer needed to contribute more than the minimum to the Police Pension Trust. At the Council meeting of June 15, 2021, the Council determined to restore building permit fees to its schedule adopted prior to the temporary reductions effective July 20, 2021. Water/sewer debt payments are incorporated into the adopted budget, and will reduce the City's outstanding water/sewer debt. The Finance Department will seek another Excellence in Financial Reporting Certificate from GFOA. A potential modest sewer rate increase was not needed to be considered, as the proposed sewer fund budget has sufficient forecasted revenues to fully fund fiscal year 2021-2022 operations and maintenance and still provide for funding for future year sewer needs. Similar to the sewer fund, the water fund is projected to achieve a positive cash flow in fiscal year 2021-2022. Operating within the limits of the adopted budget, absent an unanticipated severe economic recession, provides for the City's general fund reserve to more than meet the City Council's 20% reserve policy. The rolled back tax rate was adopted by the City Council on September 22, 2021.

11. City Buildings

Improve the lighting and air conditioning in the City Council Chamber. Budget for the design and construction of a new Building Department building on City-owned property immediately north of City Hall.

On November 16, 2021, the City Council selected the design-build alternative for proceeding with the new Building Department building, and a Request for Proposals is being prepared.

As always, if you have any questions about our progress towards any of our objectives, please let me know and I would be happy to discuss with you. Thank you.

c: Department Heads

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