

CITY COMMISSION MEETING

MINUTES

September 27, 2012

4:00 p.m.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

PRESENT:

Steve McFarlin, Mayor
Marvin Shavlan, Vice Mayor
Lorraine Huhn, Commissioner
Jim Parent, Commissioner
Bev Garnett, Commissioner

ALSO PRESENT:

Elaine Edmunds, Finance Director
Mike Davis, City Attorney
Reynolds Allen, City Attorney/Allen, Norton & Blue
Rebecca C. Haynes, City Clerk

CITY ATTORNEY REPORT

Mayor McFarlin reported that the Commission will address the ordinances after the City Attorney provides his report.

City Attorney Davis provided an update on the Coconut Inn case and the Anderson case. Mr. Davis noted a possible settlement has been proposed on the Coconut Inn case and noted that a shade meeting may be necessary.

Mr. Davis announced that he is soliciting the Commission's advice concerning the case of Coconut Inn LLC and Joseph Caruso v the City of St. Pete Beach, Florida, Case #11-9375-CI-07.

Mr. Davis further announced that he is soliciting the Commission's advice concerning the case of James Anderson v the City of St. Pete Beach, Florida, et al., Case #11-

1319-CI-08. City Attorney Davis reported that Judge Demers will issue a ruling in this case by Friday, October 5, 2012.

It was agreed to hold a Shade Meeting on Tuesday, October 9, 2012 at 4:30 p.m. with the City Manager participating via telephone.

Mayor McFarlin called for a recess at 4:32 p.m. At 4:43 p.m., the meeting was reconvened with the Mayor and all Commissioners present.

1. ORDINANCES

Mr. Allen recommended addressing Item 1(C) prior to Items (A) and (B).

c. Ordinance 2012-25, Final Reading and Public Hearing, amending Chapter 66, Pensions and Retirement, Article II, General Employees' Retirement System; implementing a benefit freeze; providing for modifications of certain benefits for future service; amending certain definitions; revising employee contributions; revising the vesting period; amending benefit amounts and eligibility; and amending the deferred retirement option plan.

Commissioner Parent made a motion to approve Ordinance 2012-25, an ordinance of the City of St. Pete Beach, amending Chapter 66, Pensions and Retirement, Article II, General Employees' Retirement System; implementing a benefit freeze; providing for modifications of certain benefits for future service; amending certain definitions; revising employee contributions; revising the vesting period; amending benefit amounts and eligibility; amending the deferred retirement option plan; providing for applicability; providing for codification; providing for severability; providing for repeal of ordinances in conflict; providing an effective date. The motion was seconded by Commissioner Garnett.

Mayor McFarlin called for audience comments.

There were no audience comments.

Mayor McFarlin called for Commissioner comments.

There were no Commissioner comments.

The motion was unanimously approved by individual roll call vote.

a. Ordinance 2012-23, Final Reading and Public Hearing, rescinds and repeals all prior ordinances or resolutions assessing or imposing the premium tax authorized by Section 175.101, Florida Statutes and withdrawing from participation under Chapter 175, Florida Statutes

Attorney Allen stated the International Association of Fire Fighters (IAFF) Impasse Hearing was held on August 14, 2012, at which time the Florida Division of Retirement held the position that, if the defined benefit plan was reduced below the levels in effect in 1999, the City would lose the premium tax monies (Chapter 175 monies). After adoption of the Memorandum of Understanding (MOU), the State changed its position and held that the benefit levels could be reduced to the statutory minimum levels, and perhaps even below, and the City continue to receive premium tax money. The result is that the MOU could not be revised at that time because action had been taken on the ordinance. Mr. Allen reported that it may be possible to continue receiving Chapter 175 money and carry out previous action or possibly improve the benefits.

Mr. Allen has since corresponded with the IAFF attorney noting the City would make the following changes: (1) effectuate the freeze, (2) effectuate the new defined benefit plan and (3) effectuate Chapters 4, 5, 6 and 7, which would, in effect, change the status quo. The City and the IAFF representatives would then negotiate for up to 60 (sixty) days to keep the premium tax money and improve benefits without causing a substantial loss to the City funds (\$178,000 for 2012). This would be retroactive to October 1, 2012. If an agreement cannot be reached on or before December 1, 2012, the City Commission has the option of going with the 8/14/2012 MOU as written or bring about any last or best offer for improvements.

Phil Milner, Vice President of Local 2266, stated he felt he was brought to the meeting under false circumstances. Mr. Milner read correspondence from Mr. Allen and noted there was some confusion in the content, and the union was not in agreement with the language. Mr. Milner noted that it is his understanding the City will lose the premium tax dollars if the City freezes the plan. He urged the Commission to direct City Manager Bonfield to continue negotiations to try and retain the Chapter 175 monies and utilize them for improved benefits for the firefighters. Mr. Milner noted the union members are willing to accept the language contained in the first email sent to him at 12:30 p.m.

Mr. Allen responded that the City's proposal is to carry out the freeze and change the status quo now, and then bargain. He noted that his understanding is that the union agrees, except they do not want to freeze now and change the status quo now; but they will agree to allow the City to change the status quo and freeze if an agreement is not reached within two (2) weeks. Mr. Allen recommended against approving proposed Ordinance 2012-23 at this meeting.

Mr. Milner stated that the union will not file an unfair labor practice against the City and will not argue the status quo of the contract as long as they feel the City is negotiating in good faith. He reiterated his understanding that if the City freezes the plan, Chapter 175 monies are lost. He also noted that future costs to the City could be limited to the unfunded liability.

Finance Director Edmunds stated that the City has no confirmation of losing the premium tax dollars if the plan is frozen.

Mr. Milner repeated that the union will not sue the City for delaying the process and status quo being re-established; the union is willing to waive this under any circumstances.

Mr. Allen asked Mr. Milner to confirm the following about what the union will or will not do if an agreement is not reached. Mr. Allen asked what action will be taken by the union if the City agrees to maintain status quo for 60 (sixty) days, bargain with IAFF representatives and not reach an agreement.

Mr. Milner responded that the current proposal reached at the Impasse hearing is the worst case scenario and he cannot agree to something of which he is not aware.

The union members recessed 4:47 p.m. and re-entered the meeting at 4:50 p.m. The City Commission continued the public meeting.

Phil Milner stated that he was reminded by his colleagues during their recess that he will not negotiate with the City Commission. He noted that the union has concerns about the negotiation methods the City Manager utilizes. He commented that if the negotiations are not successful, the City can utilize the ruling from the Impasse hearing.

The union members recessed at 5:13 p.m. and reconvened at 5:15 p.m. The Commissioners continued the public meeting.

Mr. Allen read the draft proposal he composed during the meeting, which reads: if the Commission tables the proposed ordinance, it tables the effectuation and, if an agreement is not reached, the City can put into effect the last and best offer or revert to the August 14th decision.

Mr. Milner responded that the union cannot agree to the proposal because there may be a difference of opinion as to what constitutes a better offer. Mr. Milner agreed that the union does not want to accept the 'last and best offer' but will accept the August 14th Impasse hearing decision.

Finance Director Edmunds recapped the action that if the union members do not accept what is offered after negotiations, the City will lose Chapter 175 money.

Mr. Milner further stated that the union will not file an unfair labor practice for a delay; if negotiations cannot be reached, then the City Commission can approve and enact the two proposed ordinances.

Mayor McFarlin confirmed that the City Commission is in agreement to table Ordinance Nos. 2012-23 and 2012-24 for sixty (60) days with the hopes of attaining clarification or securing Chapter 175 monies with the fire department members not necessarily agreeing that they receive any additional benefits.

Mr. Allen stated for the record that the union is in agreement that the City Commission direct the City Manager to negotiate to save the premium tax monies to improve the benefits; and if a ratified agreement is not reached by December 1, 2012, the City retains the right to proceed with the August 14, 2012 agreement, and the fire union will not file any type of unfair labor practice or grievance against the City, or otherwise contest the action.

Mr. Milner stated that he and the union members were in agreement with Mr. Allen's statement.

Finance Director Edmunds clarified that if negotiations can salvage Chapter 175 monies and the fire union does not agree to the changes, the City will lose the money.

Commissioner Garnett made a motion to table Ordinance No. 2012-23, an ordinance of the City of St. Pete Beach, rescinding and repealing all prior ordinances or resolutions assessing or imposing the premium tax

authorized by Section 175.101, Florida Statutes; withdrawing from participation under Chapter 175, Florida statutes; providing for severability; providing for repeal of ordinances in conflict; providing an effective date. The motion was seconded by Commissioner Parent.

Mayor McFarlin called for audience comments.

There were no audience comments.

The motion was unanimously approved by individual roll call vote.

b. Ordinance 2012-24, Final Reading and Public Hearing, amends Chapter 66, Pensions and Retirement, Article IV, Firefighters Retirement System; implementing a benefit freeze; providing for modifications of certain benefits for future service; amending certain definitions; revising employee contributions; revising the vesting period; mending benefit amounts and eligibility; and amending the deferred retirement option plan.

Commissioner Garnett made a motion to table Ordinance No. 2012-24, an ordinance of the City of St. Pete Beach, amending Chapter 66, Pensions and retirement, Article IV, Firefighters Retirement System; implementing a benefit freeze; providing for modifications of certain benefits for future service; amending certain definitions; revising employee contributions; revising the vesting period; amending benefit amounts and eligibility; amending the deferred retirement option plan; providing for applicability; providing for codification; providing for severability; providing for repeal of ordinances in conflict; providing an effective date. The motion was seconded by Commissioner Parent.

Mayor McFarlin called for audience comments.

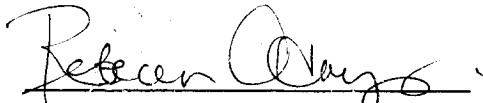
There were no audience comments.

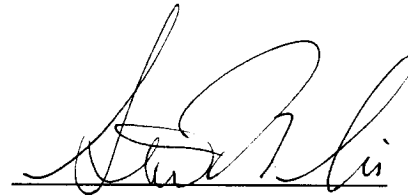
The motion was unanimously approved by individual roll call vote.

10. Adjournment

There being no further business to come before the Commission, the meeting was adjourned at 5:28 p.m.

Attest:


Rebecca C. Haynes, City Clerk


Steve McFarlin, Mayor

Minutes approved on: 10-23-2012