

CITY COUNCIL MINUTES

APRIL 13, 2010

Mayor Penton called the meeting to order at 7:30 p.m.

Pastor Walter Lawlor, New Life Community Church, gave the invocation.

Those present recited the Pledge of Allegiance, led by Mayor Donald L. Penton, Sr.

ROLL CALL

Mayor Donald Penton, Vice Mayor Nancy Adorno, Councilor Kristi Eilertsen, Councilor Joe LaCascia, Councilor Paula Roddenberry, City Manager Cory Carrier, City Attorney Jeff Sullivan and City Clerk Patricia Jackson.

Also present were Councilor Elect Trudy Block, Councilor Elect Mike Blethen, Councilor Elect Don Kimsey, Assistant City Manager Pam Peterson, City Planner Gene Kniffin, Code Enforcement Officer Kathy Delp, Finance Administrator Pam Lawson, Librarian Mary Ellin Barrett, and Smirna Martinez, staff member.

A quorum was established and Mayor Penton turned the meeting over to City Attorney Sullivan.

APPROVE CONSENT AGENDA

Councilor Roddenberry made a motion to approve the Consent Agenda; the motion was seconded by Vice Mayor Adorno.

Roll Call: Councilor Roddenberry-aye, Councilor Eilertsen-aye, Mayor Penton-aye, Vice Mayor Adorno-aye, Councilor LaCascia-aye.

5-ayes

0-nays

ACCEPT FY 2008 AUDIT

Councilor LaCascia made a motion to accept the FY 2008 Audit; the motion was seconded by Councilor Roddenberry.

Roll Call: Councilor Eilertsen-aye, Councilor Roddenberry-aye, Vice Mayor Adorno-aye, Councilor LaCascia-aye, Mayor Penton-aye.

PRESENTATIONS AND/OR RECOGNITIONS

At this time Assistant City Manager Pam Peterson then presented outgoing Councilor Kristi Eilertsen, Councilor Paula Roddenberry and Mayor Donald Penton with an appreciation gift for their years of service to the City of Polk City.

Councilor Joe LaCascia then recognized Mayor Donald Penton for his 32 years of service to the City of Polk City and presented him with an appreciation gift.

COMMENTS FROM DEPARTING COUNCIL

- **Mayor Penton** – Mayor Penton advised he would be on board to help in any way he can; he also advised if the citizens needed anything, to please give him a call.
- **Councilor Eilertsen** – Councilor Eilertsen thanked everyone for affording her the opportunity to serve the City of Polk City. She is a person who gives her all; however, she feels this position requires more time than she can give at this time – family is her number one priority, and she cannot give the citizens what they need. This has been a very good experience, and one day she may be able to return to a position of similar magnitude.
- **Councilor Roddenberry** – Councilor Roddenberry spoke to the citizens first, and advised she had served as City Clerk in Polk City for a while. She noted that while she attended all of the meetings there were no citizens that would attend; however, upon her returning to serve on Council, there are a number of citizens who attend. She advised it was great and to keep up the good work; she encouraged them to voice their opinion and to show concerns. To Council she expressed her appreciation for being able to serve for a short period of time; her visual disability has made it harder than she thought. She asked Council to let the State and County know that Polk City is here, and we want what other cities get. She wished she could have served the number of years that Mayor Penton served; she loves the people and loves the City – “Thank you.”

ADMINISTRATION OF OATH OF OFFICE

Mayor Donald Penton administered the Oaths of Office to the incoming Council: Joe LaCascia, Trudy Block, Mike Blethen and Don Kimsey

ELECTION OF OFFICERS FOR MAYOR AND VICE MAYOR

Councilor Adorno made a motion to elect Joe LaCascia as Mayor; the motion was seconded by Councilor Block.

Roll Call:

Councilor LaCascia-aye, Councilor Adorno-aye, Councilor Block-aye, Councilor Blethen-aye, Councilor Kimsey-aye

5-eyes

0-nays

Councilor Blethen made a motion to elect Trudy Block as Vice Mayor; the motion was seconded by Mayor LaCascia.

Roll Call: Councilor Block-aye, Councilor Kimsey-aye, Mayor LaCascia-aye, Councilor Blethen-aye, Councilor Adorno-aye

5-eyes

0-nays

PUBLIC HEARINGS

ORDINANCE 1262, AN ORDINANCE OF THE CITY OF POLK CITY, FLORIDA, AMENDING ORDINANCE 1251 BY RESCINDING AND REPLACING THE LANGUAGE OF POLICY 1.7 OF OBJECTIVE 1 OF THE CAPITAL IMPROVEMENT ELEMENT OF THE POLK CITY COMPREHENSIVE PLAN WHICH WAS ATTACHED AS EXHIBIT A TO ORDINANCE 1251; RESCINDING AND REPLACING THE POLK CITY FIVE-YEAR CAPITAL IMPROVEMENTS PLAN (“CIP”) WHICH WAS ATTACHED TO ORDINANCE 1251; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

City Attorney Jeff Sullivan read Ordinance 1262 in short title, and gave a brief explanation of what this Ordinance is for – Settlement Agreement with DCA. Mayor LaCascia opened the public hearing. No one from the public spoke and the public hearing was closed. Under review and discussion from the Council, Councilor Kimsey asked for a moment to read the Ordinance. Councilor Blethen asked about the change, and City Attorney Sullivan explained.

Vice Mayor Block made a motion to accept Ordinance 1262; the motion was seconded by Councilor Kimsey.

Roll Call: Mayor LaCascia-aye, Vice Mayor Block-aye, Councilor Blethen-aye, Councilor Kimsey-aye, Councilor Adorno-aye

5-ayes

0-nays

NEW BUSINESS

There was none.

UNFINISHED BUSINESS

Florida Government Utilities Authority (FGUA)

Mr. Bersey addressed Mr. Sweat and asked for clarification of the possible operation management by FGUA and not the purchase; he wanted to make sure it was clear the discussion tonight is what FGUA could possibly do for fellow citizens. Mr. Sweat advised the presentation was given to Council at a workshop, and at tonight’s meeting a presentation will be made for the citizens. Mr. Sweat then advised the Interlocal Agreement with FGUA is not a contract; it is for membership into the FGUA; he has not taken this to the FGUA Board, and at this point in time will not take it to the FGUA Board.

Mr. Sweat proceeded with the presentation to the citizens (a copy is made a part and included in the minutes):

- **History of the FGUA**

- **FGUA Today**
- **Structure of FGUA**
- **Utility Evaluation Process**
- **Sample Acquisition Process-Phase I**
- **Sample Acquisition Process-Phase II**
- **Sample Acquisition Process-Phase III**
- **Sample Acquisition Process-Phase IV**
- **Background**
- **City of Polk City-Issues**
- **City of Polk City Water and Wastewater System Historical Loan Table**
- **Is FGUA Acquisition Feasible**
- **City of Polk City Water and Wastewater System Typical Monthly Residential Bills for Combined Water and Wastewater Service**
- **Debt Reduction**
- **Comparison of Debt/Customer Accounts**
- **What's next**
- **Management and Operation**
- **City of Polk City Disposal Site Locations**
- **Capital Projects to Improve Service**
- **Next Step**

Mr. Sweat advised he could not recommend to the FGUA Board to pursue the transfer of the City Utility, but staff would entertain recommending to the FGUA Board an operations plan if the City desires.

During Mr. Sweat's presentation he complimented the City Manager in attempting to work with SunTrust to restructure that debt, he recommended the City get the property being purchased from Polk County off the books as soon as they can, and he advised the City Manager worked with DEP staff and got their loan reduced by \$110,000 a year (interest only for five years).

Mayor LaCascia advised the same presentation was made to City Council at a workshop so that Council could ask their questions and get information; this meeting is for the public to ask any questions. It is clear the City has to make a decision in which way we are going to go. Mayor LaCascia had asked Mr. Sweat to refine the numbers, and asked hypothetically what the cost would be to operate the system; Mr. Sweat apologized and said those numbers are not ready at this time; he will follow up on the request. Mayor LaCascia relied on Mr. Sweat's expertise regarding the water and sewer system(s) and asked what his recommendation would be. Mr. Sweat advised the Council and City Manager should move forward and look at a contract for operation of the utilities; it would take approximately 30 days to produce the proposal.

Councilor Kimsey asked how beneficial to the City would it be for FGUA to operate our system. Mr. Sweat advised that FGUA brings experience to the table that city staff doesn't have. Discussion then took place regarding the City's budget compared to FGUA proposed savings to the City, and Mr. Sweat went over areas where some of the cost savings could occur.

Councilor Block asked if that included the cost to take down the Mt. Olive WWTP and move it over to the new plant (Cardinal Hill); Mr. Sweat advised those figures do not include capital improvements, but would recommend to City to bring in their Engineers, etc. and help the City for an additional fee (if they partner with the City).

Councilor Blethen asked if FGUA has looked at the engineering that has been done; Mr. Sweat advised the engineering that has been done was based on new customers coming into the City and for the most part it cannot be used. Brief discussion took place regarding design work and the cost of that, cost of a new plant, operation and the type of plant it was.

At this time Mayor LaCascia invited the public to come forward with any questions they may have, and he asked they give their name and address. The following citizens came forward to speak, or to ask questions:

- Mr. Goldstone, 339 Lakeshore, asked if FGUA was a for-profit group or a governmental agency. Mr. Sweat advised it is a governmental entity (S.S. 163(7)). He gave some background.
- Bob Bersey – had questions and discussed the estimated rate increases, and look at doing operations ourselves. Vice Mayor Block responded there is a real value to having consultants (outsourcing), and would need to look at what it would cost the city to versus what it would cost for FGUA to handle operations.
- Councilor Kimsey asked what would happen if we don't do anything, if the County took it back. Vice Mayor Block responded that doesn't relieve the City of its debt; Mayor LaCascia advised the City Manager is still communicating with the County regarding options. He also advised rates will need to go up, but don't know to what extent, and asked to have two meetings a month to keep up-to-date – the Tuesday following the City Council meeting.
- Bob Bersey – requested more notice before a meeting, and making it a convenient time for the citizens as well. Councilor Adorno asked what meeting he was referring to other than the workshop. Discussion took place regarding time of meetings and workshops; the regular City Council meeting has been the second Tuesday of the month at 7:30 p.m. Some discussion took place regarding notice.
- Michael Ho-Shing, 505 Orange Blvd., spoke of the money spent on consultant fees, the FGUA contract for operations, the City laying off, and jobs. Mr. Sweat advised they would have brought employees on board during the acquisition; they would just had to pass a drug test. Discussion took place about what savings could occur if FGUA were to take over the operations.
- Al Schneider, Teaberry, asked who would be on the Board of Directors from the City; Mr. Sweat advised City would have to appointment someone. Mr. Schneider then asked about rates; discussion took place regarding rates and increases. Mr. Sweat advised if FGUA were involved, they would provide good quality and dependable service at the best cost.
- Gene Fleming, 8955 Golden Gate Blvd., commented it doesn't matter who is going to do it, what he is interested in is who can do it the cheapest and more feasible way. He advised he can't pay for any more. Discussion took place regarding Mt. Olive and sewer, comparison of other cities; he understands there

will be an increase in water fees, but who would determine the rates if FGUA takes over. Mayor LaCascia advised that the deal of them taking over is off the table; as we go forward the City will be seeking advice where they can get it. There will more workshops forthcoming to the public, and the City will let them know every step of the way. Mayor LaCascia advised we are in a crisis, and management will react more quickly. Discussion took place regarding growth, billings and increases. Mr. Fleming advised he was billed the WAC and SAC fees for five lots; he has a chain-link fence around these lots and use as part of his business. Gene Kniffin explained the City went to the Property Appraisers Office and pulled up the vacant lots in platted sub-divisions that had water and sewer available that was a lot that could be built on or sold. Mr. Fleming was advised to get with Gene during the week. Mr. Blethen asked if it was commercial or residential; it is commercial. City Manager Carrier advised we have dealt with those situations (she gave some examples); however, they are dealt with on a case by case basis, and she suggested Mr. Fleming come into the office regarding this issue.

- Joe Duncan, 408 Rosewood Lane, asked how many sewer customers the City has, how many customers of sewer versus water, and asked about commercial users. City Manager Carrier advised Commercial/Industrial is about 10% of billings and sewer is approximately 40% of customers; there are 700 people on sewer. City Manager Carrier then gave some history as to how the City came about providing sewer (it was mandated by the State under consent order). She explained the City went to Auburndale first to see if they could provide sewer, but the cost was too high; they then went to the County.
- Bob Bersey asked if FGUA were to be asked to manage the utilities, would the payment center remain at City Hall. Mr. Sweat advised all of those details would be worked out with the City. Mr. Bersey advised it would be beneficial to the citizens.
- Daniel Russo, 417 Marklen Loop, wanted to know if a time line good be given on how long the transition process would take should the FGUA take over the operations; Mr. Sweat advised it would take 30 days to work out a proposal for operations, and 60 days to get approved and a contract. The transition itself would be easy and done quickly. He also wanted to know when/if Council finally makes a decision, how long they look for this process. Mayor LaCascia advised given the current situation, he would like to see a 50% increase as soon as possible, and look at it in three months, which will allow time to get information regarding the debt reduction.
- Bob Bersey asked what the time frame would be for the rate increases – 10 to 15 years. Mayor LaCascia advised as long as the debt is in place; some discussion followed.
- Councilor Adorno advised the goal is to increase the rates at the least amount possible; she also discussed the possibility of restructuring current loans/interest, and other options. We should be able to get some good numbers in the near future. Mr. Bersey commented on new loan terms and not just paying interest only. Mayor LaCascia advised current Council will ensure things move in the right direction, and Council will get more involved.
- Resident from 1130 Motorcoach Drive asked how Polk City utility rates compare with other municipalities; Mayor LaCascia advised we could get those.

- Michael Ho-Shing, 505 Orange Blvd., commented this County is in a crisis. This City has an opportunity in visioning by making the right policies we can draw businesses, we can create an environmental partnership (Green Swamp), and look at Master Plans – look at the larger picture.
- George Push, 111 Bougainvillea Avenue, discussed what happened to a town in Michigan when a sewer system was put in and a charge of \$40 month; no one paid and the town went down because they could not pay their bills. He also brought up bankruptcy – look at Chapter 9 (small town in Ohio); what happen if town goes bankrupt.
- Kathleen Csokasy, Swamp Grass, spoke to Council regarding purchasing and asked if the City goes through the State; City Manager Carrier advised we do use the State has much as possible.

Mayor LaCascia thanked Mr. Sweat for his presentation.

CITY MANAGER ITEMS

City Manager Carrier advised as Council she is a finalist for the Cape Canaveral job (she advised Council in January), and she has applied in three cities, one she is a finalist, one has not closed as of yet. She wanted to let Council know this has nothing to do with the “change of the guard”; her contract is up in September and with four new Council members she is unsure of her future. She has been here ten years and her life is changing significantly this weekend (getting married). She explained all of this during orientation she advised she wanted to give disclosure.

CITY CLERK ITEMS

City Clerk Jackson asked Council to please come to her office to sign the Oaths of Office, as

Well as get other information she has for them.

CITY ATTORNEY ITEMS

City Attorney Sullivan advised for anyone wanting information pertaining to Ordinance 1262 from DCA, the sign-up sheet is up front. He then congratulated the City Manager and Don Penton on upcoming wedding.

MAYOR ITEMS

Mayor LaCascia thanked Council for having the confidence in him to serve as Mayor; he has a great deal of confidence in going forward with new Council with new ideas as to how to work with existing city staff and City Manager, and work with staff to resolve all of these problems.

VICE MAYOR ITEMS

Vice Mayor Block thanked Council for electing her as Vice Mayor; she then reminded everyone we trying to make things more transparent. Vice Mayor Block advised she would be working with the City Manager regarding the “Council Corner” that is on the website; she will be putting in questions and answers from the meetings and she has an email if anyone has a question. Vice Mayor Block urged everyone to go to the City’s website; it is a very good one and is updated frequently.

COUNCIL MEMBER ITEMS

Councilor Adorno – Councilor Adorno thanked outgoing Council; she learned a lot with them, and she congratulated incoming Council and advised she looks forward to working with them.

Councilor Blethen – Councilor Blethen thanked everyone. He followed up on Mayor LaCascia's comments regarding two meetings a month – at one meeting he would like to look at past things and take a look at the past audit. He encouraged everyone to take a look at some of this information – where the money went to in the past, where we are at now. In one meeting we need look at everything we have, what are our obligations are, where we are financially and to look at growth issues. A workshop would allow this to be worked through; he is in favor of having workshops and encourages everyone to attend. He then discussed identifying in the agenda what money is being spent on, are we getting our benefits – city staff needs to be responsible to the citizens.

Councilor Kimsey – Councilor Kimsey advised there are some hot issues we all would like to bring forward, but right now we have our hands full and asked they be given some time. Council will be having workshops that the public can attend; we have your best interest at heart.

PUBLIC COMMENTS/REQUEST

Denise Truden, 197 Sunshine Blvd., addressed Council; she advised she has been in Polk City since 1991 and she is disabled. She lives in a mobile home, and asked Council to review and amend Ordinance 1029; if the mobile home is destroyed, she cannot afford a concrete home or a modular home. What do we do? She asked Council to please review and abolish, if possible. Councilor Kimsey responded this is an issue that is near and dear to his heart that will be addressed, but this is not the right time.

Bob Bersey withdrew his request to speak.

ANNOUNCEMENTS

There were none.

There being no further business, the meeting adjourned with a voice vote.

Patricia R. Jackson, City Clerk

Joe LaCascia, Mayor