

CITY COUNCIL MINUTES

SPECIAL MEETING

September 23, 2009

Mayor Penton turned the special meeting over to the City Manager immediately following the Final Budget Hearing.

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

Also present were Assistant City Manager Pam Peterson, City Planner Gene Kniffin, Finance Administrator Pamela Lawson, Code Enforcement Officer Kathy Delp and Librarian Mary Ellin Barrett.

Resolution 2009-07, a Resolution of the City Council of the City of Polk City to revise water and sewer rates pursuant to Ordinance 2002-04 Article 2 – Water, Section 2 – Water Rates and Ordinance 97-5 Section 9 Rates; and providing an effective date.

City Manager Carrier read Resolution 2009-07 in short title. Mayor Penton asked when was the last time water and sewer rates were raised. City Manager Carrier advised when the rate study was done; the rates were put into blocks. Utility bills went down with the new structure; however the last time the rates were actually raised was three years ago. In March of this year the City adopted the rates recommended by SWFWMD, which were the conservation rates. Council then asked if we had a rate comparison; City Manager Carrier advised the Consultant did that, and we are about average. Councilor Eilertsen asked if last year is when we broke it down into blocks. Discussion took place about the way the blocks were established and the possibility of changing the block structure and higher usage. City Manager Carrier advised other cities have done the same thing with increases (Frostproof, Lake Hamilton, etc.) Councilor Eilertsen advised she doesn't want to see the City struggling. Council asked if a study could be done before the next meeting; City Manager Carrier advised we can do an internal one. City Planner Gene Kniffin then discussed the effects this could have on the water use permit; it is based on a number of gallons per capita per day and we have to keep it at that level or lower. Pamela Lawson, Finance Administrator, advised that Dundee's base rate for sewer is \$86.50.

A motion was made by Councilor Eilertsen to table Resolution 2009-07 until the October 13 meeting; the motion was seconded by Mayor Penton.

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

4-ayes
0-nays

Ordinance 1256, an Ordinance amending the City of Polk City Code of Ordinances by adding Section 74-97, Establishing a Sewer Availability Charge (SAC).

City Manager Carrier read Ordinance 1256 in short title. At this time City Manager Carrier advised she had been given a directive by Council that citizens should not have to pay for debt service incurred by new developments; the idea was to go and find a way to pay down the debt service for water and sewer (WWTP) without existing customers having to pay for it. She researched the Statutes and under Florida State Statute 367, Section 101, it refers to charges for service availability when development comes in. She used MOSN as an example – when MOSN first came in they were going to put in 600 lots and wanted water and sewer; the City went out and secured Bonds to put in water and sewer lines and a Wastewater Treatment Plant to accommodate MOSN, and they were secured with future impact fees. Building stopped and it became a problem to pay down the Bonds. The City needed a mechanism to pay these and under the Florida Statutes cities, counties and private utilities can create a service availability fee. It is very specific, and can be charged to lots (if parcel of 300 acres using agriculture it cannot be charged), sub-divisions and commercial developments if the infrastructure is there, but not built. She and staff have looked at the City as a whole, infill lots with water or sewer, or water and sewer, and have identified 500 (conservative number). You can charge individual lots of record with water and sewer service directly in front of the lot (lines are there). City Manager Carrier advised the fee charged is fair and appropriate to individual lots; the water and sewer base charge covers debt service. She then explained the annual bill would be the base rate times 12 months. Councilor LaCascia advised the base rates would be fair; he then had a question regarding State Statute 367.101 whereby it refers to Commission. City Manager Carrier advised it pertains to the Public Service Commission; however, that legislation allows us to do this, which is explained once you get more into the Statute.

Mr. Schneider asked when this would go into effect. City Manager Carrier advised the Statute specifies 30 days after the passage of the Ordinance, which would be November 11, 2009. She advised the City will bill annually for this, this year it will be invoiced in January for the whole year, then after this year it will be assessed on the property tax bill. This is reflected in the FY 2010 Budget.

A motion was made by Councilor LaCascia to approve Ordinance 1256; the motion was seconded by Councilor Eilertsen.

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

4-eyes
0-nays

Ordinance 1257, an Ordinance amending the City of Polk City Code of Ordinances by adding Section 74-264, Establishing a Water Availability Charge (WAC)

City Manager Carrier read ordinance 1257 in short title.

A motion was made by Councilor Eilertsen to approve Ordinance 1257; the motion was seconded by Councilor LaCascia.

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

4-eyes
0-nays

At this time City Manager Carrier advised Council she was notified this afternoon the City has received \$10,000,000 in stimulus funding. Thirty-five percent of this is grant; however, because the City is a REDI Community she is going to see if seventy-five percent is eligible for grant. She will keep Council posted. This would be used for the new sewer system.

There being no further business, the meeting adjourned upon a voice vote (8:10 p.m.).

Patricia R. Jackson, City Clerk

Donald L. Penton, Sr., Mayor