

CITY COUNCIL WORKSHOP MINUTES

JUNE 15, 2010

Vice Mayor Block called the meeting to order at 6:00 p.m.

ROLL CALL

Mayor Joe LaCascia, Vice Mayor Trudy Block, Councilor Nancy Adorno (late—arrived at 6:05 p.m.), Councilor Mike Blethen, Councilor Don Kimsey, City Manager Cory Carrier-absent, Assistant City Manager Pam Peterson, City Attorney Jeff Sullivan and City Clerk Patricia Jackson.

Also present were City Planner Gene Kniffin, Code Enforcement Officer Kathy Delp, Librarian Mary Ellin Barrett and Mike Azzarella, who is with Hydro Solutions Consulting.

At this time Vice Mayor Block wanted to state for the record that Councilor Kimsey did not apply for a mobile home permit, nor did he make a complaint regarding mobile homes as alluded to in a previous workshop.

Vice Mayor Block then proceeded with the order of business on the Agenda.

Fire Station Lease

Councilor Kimsey wanted to review the original lease before the current lease was voted on. Mayor LaCascia asked about the \$15,000 on a previous lease. It was explained the City of Polk City previously paid the County \$15,000 a year for fire service (the County used the City-owned fire station); however, in 1992 a Municipal Service Benefit was established and the City no longer had to pay that money to the County. The original lease was extended for a period of five years and the rental was \$1 a year. Mayor LaCascia commented the agreement is not based on value of building.

Ordinance 1263, Fair Housing

Councilor Blethen had asked to see the Ordinance; he doesn't understand why the City needs to pass an Ordinance if it is governed by State Statute. Councilor Adorno advised our Ordinance would be place in the Code of Ordinances. This will also help the City's score during the Small Cities Community Development Block Grant process.

Councilor Kimsey's request for the Mayor and Vice Mayor to meet with Auburndale and other cities

Councilor Kimsey was asked what specifically he wanted Auburndale and other cities to be asked. Councilor Kimsey replied he wants to know the advantages of Polk City hooking up to Auburndale's sewer system. He then mentioned the contraction issue for Mt. Olive Shores North, Phase IV. Mayor LaCascia advised he doesn't know if he

(Mayor) would be qualified to do that; he is unclear what Councilor Kimsey is looking for, and asked him what he would ask. Councilor Kimsey would like to know if there is anything they can do to help us out of our situation. Councilor Kimsey then spoke of some past issues, including lawsuits; he is interested in what services they can perform – billing on utilities is an example. Assistant City Manager Peterson advised on June 24th the City will be meeting with Rick Rhodes, who is with the tax collectors office, regarding the tax collector billing for utilities. Vice Mayor Block advised that would need to be balanced; she mentioned FGUA and we need to look at all possibilities. Other discussion took place as follows:

- Councilor Kimsey—regarding FGUA wants to know if that is our best option; how much the municipalities have saved compared to what it cost.
- Vice Mayor Block advised that the next thing on her list of things to do.
- Councilor Blethen—concerning Auburndale he would like to know if they can accept our sewer, and if they can, what is the cost going to be. He also would like to know the cost of hook-up, taking over the billing and taking payments.
- Discussion took place about the Cardinal Hill Plant and the Mt. Olive Plant, taking the Mt. Olive Plant off line and sending the sewer to the Cardinal Hill Plant, collection system on the Mt. Olive Plant is in bad shape and needs about 1.25 million dollars spent to repair it.
- Gene discussed having to design a system to take wastewater to Auburndale; the last time they dealt with Auburndale they were going to charge the City commercial rates plus 125%; the only other system that is close would be Lakeland.
- Vice Mayor Block asked about the surcharge; Gene advised the last time they (Auburndale) wanted our impact fees for expansion of the facility.
- Councilor Kimsey asked if Gene could concede the bulk of the sewer is coming from Mt. Olive. Gene advised yes, it is going into the Mt. Olive Plant. Councilor Kimsey advised there were 16 families in Phase IV inside the city limits; Mt. Olive is in the County and not for the residents of Polk City.
- Councilor Kimsey asked if it was advantageous for the City to furnish sewer to County; Gene advised yes, it is; there is approximately 1,000 and 1,100 customers; if we lose those, the City would still have debt service. Some discussion followed concerning customer base and debt service.
- Lengthy discussion took place regarding the wastewater system, customer base, Mt. Olive, property tax, collection system needing a lot of repairs, capacity at Cardinal Hill, if go to Lakeland or Auburndale they would ask for impact fees and surcharge, but debt service would still be there.
- Councilor Blethen discussed the on-going problem with Auburndale and getting it “patched” up. He also mentioned cost to keep piece of land, and how much to expand.
- Vice Mayor Block advised this is pre-mature, as this is still in the investigative phase; she would like to speak with FGUA regarding this as well.
- Councilor Blethen commented we need all of the information necessary in order to make a decision.

- Vice Mayor Block commented we are looking at restructuring, cutting cost, looking at FGUA and raising rates.
- Gene Kniffin advised if debt goes away, the City is in good shape; if a deal is made with Auburndale regarding the Mt. Olive System, the City still has Cardinal Hill and we will lose customers. He also mentioned the City will still have to buy property at Cardinal Hill.
- Councilor Adorno commented we are looking at five possibilities.
- Mayor LaCascia mentioned the whole fiscal issue, and Councilor Adorno commented we are just looking on utilities side.
- Vice Mayor Block commented there are four areas. Discussion followed concerning capital investment at Mt. Olive to move wastewater to Cardinal Hill, have capacity for spray field but need the infrastructure (part on-site and some off-site), and need to purchase additional property for spray field.

Lengthy discussion took place regarding the Mt. Olive Plant, debt service on Cardinal Hill Plant, capacity/connection fees, impact fees, etc. Discussion also took place on the Mt. Olive Plant and the history associated with that as it pertains to the City. After additional discussion, which included the City of Polk City meeting with Auburndale (City Attorney will check into a fact-finding meeting with more than one council member being present) and taking revenue from the City, Council moved forward with the Agenda.

FGUA – Vice Mayor Proposal

- Vice Mayor Block wanted to discuss this generally until definitive facts and numbers are received.
- Councilor Blethen mentioned pricing and the 60% to 90% increase.
- Vice Mayor Block commented if City is outsourcing, FGUA would not own the utilities. Vice Mayor Block advised we are not in negotiation; however, that is what she will be working on.
- Councilor Blethen doesn't want to see anything that would raise rates.
- Councilor Kimsey asked if FGUA was managing any other systems.
- Vice Mayor Block advised she has negotiated larger contracts, and she will be working on that.
- Vice Mayor Block went over FGUA; we don't see a decrease and if we can continue to do it better, we will. FGUA has 59,000 customers and are continuing to grow. The complaints on the web are from 2006 and had to do with a rate increase; FGUA has documented process and procedures. Mayor asked if we could do the same type of handbook. Vice Mayor advised we could ask for a handbook.
- Councilor Kimsey mentioned contacting cities that are members of the Florida League of Cities (procedures).
- Mayor LaCascia discussed the finance department and not having the authority to do anything; things have to get better.
- Vice Mayor Block went through her hand-out that was provided at previous meeting; she has a meeting with FGUA next week and will forward as fast as she can. When asked if she was going to touch base with Gene and the utility

department; Vice Mayor Block advised she will have the meeting with FGUA first, then bring information back. When asked about savings, it was noted that some of it is with staff. The contract will be based on five years.

- Councilor Blethen commented we cannot achieve savings where the reward is not worth it (he mentioned he is not impressed with \$100,000 a year).

Grant Protocol – Vice Mayor

Vice Mayor Block advised she has been speaking to the Assistant City Manager Pam Peterson regarding grants (where we get them), and moving forward with additional grants. Councilor Blethen advised some grants are funded in full and some are matching funds. Vice Mayor Block commented if we have having to do capital expense we will look harder and longer, and try to obtain as many as we can.

The workshop adjourned at 7:30 p.m.

Patricia R. Jackson, City Clerk

Trudy Block, Vice Mayor