

CITY COUNCIL MINUTES SPECIAL MEETING

OCTOBER 25, 2010

Mayor Joe LaCascia called the meeting to order once Councilor Adorno arrived (approximately 6:15 p.m.)

ROLL CALL

Mayor Joe LaCascia, Vice Mayor Trudy Block, Councilor Nancy Adorno, Councilor Mike Blethen-absent, Councilor Don Kimsey, City Attorney Tom Cloud and City Clerk Patricia Jackson.

A quorum was established.

Change of day and time for City Council Meetings

Vice Mayor Block advised City Attorney Tom Cloud has a conflict with meeting on the second Tuesday of each month; however, there is nothing in the Charter that states the meetings have to be held on Tuesday. Vice Mayor Block is proposing to meet on the second Monday; Mayor LaCascia asked if we are looking at 7:30 p.m., which is subject to discussion. Councilor Kimsey asked if Attorney Cloud has been hired; he was advised it was approved at the last meeting to hire him as Interim City Attorney, and he has been working on several issues for the City – it would be appropriate to have the Attorney at the meetings. Councilor Kimsey asked for Résumés in order to take the necessary steps to hire someone. Mayor LaCascia advised that would be forthcoming in the near future and Councilor Adorno advised this is a temporary situation until a permanent Attorney is hired. Vice Mayor Block advised there is nothing in the Charter stating a specific date, and it is being asked to move the November 9th meeting to November 8th. Vice Mayor Block advised the preference would be at 7:00 p.m.; we have looked at other cities and the majority is at 7:00 p.m., and this would also help staff. Councilor Kimsey advised he agrees on an interim basis; Mayor LaCascia agrees with the second Monday at 7:00 p.m. as need be. Councilor Kimsey requested a follow-up.

After discussion, Mayor LaCascia made a motion to change the meetings to the second Monday at 7:00 p.m., and if it falls on a holiday to have the meeting on the third Monday; the motion was seconded by Councilor Adorno.

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

4-eyes

0-nays

The motion carried.

RESOLUTION 2010-07, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POLK CITY, FLORIDA REGARDING REIMBURSEMENT OF CERTAIN COSTS RELATING TO A SPRAY FIELD FOR THE WASTEWATER SYSTEM; PROVIDING AN EFFECTIVE DATE.

Mayor LaCascia read Resolution 2010-07 in short title. Vice Mayor Block then gave background information on Resolution 2010-07 – you have good debt and bad debt; the bad debt is the One Million Dollars over a ten year period with an interest rate of eleven percent. This Resolution is in preparation of assisting the City in managing the bad debt – it takes into account what we spent on the spray field; we would be getting a loan for the entire amount, which would allow the City to be reimbursed for the payment that was paid to the County. Mayor LaCascia advised the City made two payments. Vice Mayor Block advised nothing is final; we are still in negotiations – the overall loan will be around 20 years at around four percent interest; however, should the City decide not to go through with this, it will be a mute point. City Attorney Cloud advised this is an enabling Resolution to pay back what the City used at lower tax exempt debt. The Resolution is putting this in place should the loan be approved. Vice Mayor Block advised this Resolution has to be done in advance; she is trying to restructure the debt in order to lower the interest rate and save the City money. At this time Mayor LaCascia read Section 1 of the Resolution; he advised based on that, he feels more comfortable. Councilor Adorno advised it is like a line of credit. Councilor Kimsey commented he was unsure of where we would get \$350,000; Attorney Cloud advised if the City borrows the money, the Resolution says the City can take a portion of that money to pay back the General Fund; it doesn't say we are going to borrow the money because we may not – it only says if we do, you can back what was spent. When asked about the possible lawsuit, Attorney Cloud advised it would need to be answered in due course; however, he advised the Treasury Regulations requires the City to do this.

Mayor LaCascia made a motion to adopt Resolution 2010-07; the motion was seconded by Councilor Adorno.

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

4-ayes
0-nays

The motion carried.

At this time Mayor LaCascia asked for public comment.

Don Longist, 395 Nolane Lane, addressed Council.

Mr. McElwee asked about Ordinance 1235 concerning the Wastewater Plant and financing. Mayor LaCascia advised he could ask about that at the November meeting.

Mr. Gillian, 330 Nolane Lane addressed Council concerning the emergency meeting and the City allocating \$348,000 plus to pay a delinquent debt and now Council is saying it didn't have the money, and have to borrow money for what was paid. Mayor LaCascia advised the City paid that money at 11% interest; it is better to recapture the loan at 20 years with 4.25% interest rate. Councilor Adorno advised it is the same amount for a longer term at a lower interest rate. Vice Mayor Block advised the City can refinance at a lower rate; Polk City is responsible for the debt; the City is trying to refinance that debt and trying to lower utility rates. Councilor Kimsey clarified if we get the loan, then \$350,000 can be transferred back to the City; Attorney Cloud advised that was correct. Mayor LaCascia also made reference to refinancing at a lower interest rate.

Lisa Shifflett, 234 Bayberry Drive, addressed Council and commented it appears the City needs a transfusion; it is scrapping bottom of the barrel and doesn't have the money to keep afloat – you don't take money out for something that has already been paid; she feels that is not being honest and Council is snowballing the public.

The meeting was adjourned at 6:45; Mayor LaCascia advised there will be a five minute recess before the workshop.

Patricia R. Jackson, City Clerk

Joe LaCascia, Mayor