

**CITY COUNCIL MINUTES
SPECIAL MEETING**

JULY 27, 2011

Mayor Joe LaCascia called the meeting to order at 6:00 p.m.

ROLL CALL

Present: Mayor Joe LaCascia, Vice Mayor Trudy Block, Councilor Mike Blethen, City Manager Matt Brock, City Attorney Tom Cloud and City Clerk Patricia Jackson.

Absent: Councilor Nancy Adorno and Councilor Don Kimsey.

A quorum was established.

PUBLIC HEARING

ORDINANCE 2011-1282, An Ordinance of the City of Polk City, Florida, amending and restating Ordinance No. 2011-1278 in its entirety for the purpose of increasing the authorized principal amount of bonds to \$10,500,000; authorizing the issuance of not exceeding \$10,500,000 Water and Sewer System Capital Improvement and Refunding Revenue Bonds, Series 2011A and Water and Sewer System Refunding Revenue Bonds, Taxable Series 2011B to finance the costs of certain improvements to the system and to refund certain outstanding obligations; pledging a lien on the net revenues of the combined Water and Sewer System to secure the payment thereof; providing for the rights of the holders of such bonds; providing certain other matters in connection therewith and providing an effective date.

Mayor LaCascia read Ordinance 2011-1282 in short title, and opened the public hearing.

Lisa Shifflett, 234 Bayberry Drive, addressed Council and handed out a loan amortization schedule based on 10.5 million dollars at 5.25 percent interest; it shows over the life of the bond with interest would be over 21 million dollars. Ms. Shifflett then read from a prepared statement. She asked if the loan has a standard amortization schedule; she was advised it does. Ms. Shifflett continued to read from a prepared statement and had several questions. Mayor LaCascia advised the bond amount is being raised because of the \$269,000 insurance premium, which will save the City approximately 1.3 million dollars over the life of the loan; the 10 million dollar bond has already been approved, and tonight's meeting is increasing the amount from 10 million to 10.5 million. Without insurance, the City would have a higher interest rate estimated to be 5.8 percent. Brief discussion took place regarding the annual payment, and questions about the loan if new Council comes on board could they change the terms.

Mayor LaCascia closed the public hearing. Mayor LaCascia commented once again the reason for the increase is due to insurance.

Councilor Blethen made a motion to accept ordinance 2011-1282 on first reading; the motion was seconded by Vice Mayor Block.

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

3-ayes

0-nays

The motion carried to accept Ordinance 2011-1282 on first reading.

The meeting adjourned at 6:12 p.m. upon voice vote.

Patricia R. Jackson, City Clerk

Joe LaCascia, Mayor