

CITY COUNCIL MINUTES

AUGUST 10, 2010

Mayor Joe LaCascia called the meeting to order at 7:34 p.m.

Invocation was given by Derek Howell, Associate Pastor of the New Life Community Church.

Those present recited the Pledge of Allegiance, led by Mayor Joe LaCascia.

ROLL CALL

Present: Mayor Joe LaCascia, Vice Mayor Trudy Block, Councilor Nancy Adorno, Councilor Mike Blethen, Councilor Don Kimsey, City Attorney Jeff Sullivan and City Clerk Patricia Jackson.

A quorum was established and Mayor LaCascia turned the meeting over to Vice Mayor Block.

APPROVE CONSENT AGENDA

Councilor Adorno made a motion to approve the Consent Agenda; the motion was seconded by Councilor Kimsey.

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

5-eyes

0-nays

PRESENTATIONS AND/OR RECOGNITIONS

Mayor LaCascia presented Vice Mayor Block with a Certificate of Completion for attending the Institute for Elected Municipal Officials. During the three-day, intensive program, a couple of sessions attended were taxes and other sources of revenue and understanding the Ethics and Sunshine Laws in Florida. Vice Mayor Block advised she paid for the Institute.

PUBLIC HEARINGS

ORDINANCE 1263, AN ORDINANCE OF THE CITY OF POLK CITY, FLORIDA, CREATING A CHAPTER OF THE CITY CODE TO BE ENTITLED FAIR HOUSING CODE; PROVIDING FOR A DECLARATION OF POLICY TO PROHIBIT DISCRIMINATION IN HOUSING ON THE BASIS OF RACE, COLOR, ANCESTRY, NATIONAL ORIGIN, RELIGION, SEX, MARITAL STATUS, FAMILIAL STATUS, HANDICAP OR AGE; PROVIDING DEFINITIONS; DESIGNATING AS UNLAWFUL CERTAIN DISCRIMINATORY PRACTICES IN THE SALE OR RENTAL OF HOUSING, AS WELL AS IN ADVERTISING IN CONNECTION THEREWITH, IN THE FINANCING OF HOUSING, AND IN BROKERAGE SERVICES RELATED TO EXCEPTIONS; PROVIDING FOR AN ADMINISTRATOR TO BE DESIGNATED BY

THE CITY OF POLK CITY AND PRESCRIBING THE GENERAL POWERS AND DUTIES OF SUCH ADMINISTRATOR, PRESCRIBING ACTION UPON A DETERMINATION OF PROBABLE CAUSE, AND AUTHORIZING THE PROMULGATION OF FORMS AND REGULATIONS; MAKING PROVISIONS FOR THE FILING OF COMPLAINTS AND RESPONSES THERETO, AND THE PROCESSING THEREOF BY THE ADMINISTRATOR; PROVIDING FOR ADDITIONAL REMEDIES; PROVIDING FOR PROHIBITING UNTRUTHFUL COMPLAINTS OR FALSE TESTIMONY; PROVIDING FOR PENALTIES FOR VIOLATION OF SUCH CODE; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

City Attorney Sullivan read Ordinance 1263 in short title. Vice Mayor Block advised this is the Fair Housing Ordinance for the Community Development Block Grant.

Mayor LaCascia opened the Public Hearing; no one from the audience spoke and Mayor LaCascia closed the Public Hearing.

Vice Mayor Block advised this is a 100% free grant to the City of Polk City. Councilor Blethen asked if this Ordinance was good for any other funding; he was advised this establishes a Fair Housing Code for the City of Polk City.

Vice Mayor Block made a motion to accept Ordinance 1263 in its entirety; the motion was seconded by Councilor Adorno.

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

5-eyes
0-nays

ORDINANCE 1264, AN ORDINANCE OF THE CITY OF POLK CITY, FLORIDA, AMENDING CHAPTER 74, UTILITIES, ARTICLE IV, WATER, SECTION 74-201, PROVISION OF UTILITY SERVICES OUTSIDE MUNICIPAL LIMITS; PETITION TO ANNEX REQUIRED; PROVIDING SEVERABILITY AND AN EFFECTIVE DATE.

City Attorney Sullivan read Ordinance 1264 in short title. Mayor LaCascia gave background information on this Ordinance and explained its purpose.

Mayor LaCascia opened the Public Hearing; no one from the audience spoke and Mayor LaCascia closed the Public Hearing.

Councilor Kimsey asked if we knew if anyone has been forced to sign the agreement and annexed against their will. He also wanted to know if someone was forced to sign this agreement and their property annexed, is there provisions they can de-annex. He was advised no one as been annexed that the current staff is aware of. Mayor LaCascia also stated that Ordinance would be repealed, and Ordinance 1264 will take

affect from this day going forward; nothing is retroactive. Councilor Blethen asked about someone having water and sewer outside of the City; Mayor LaCascia explained how the this Ordinance works – if there is an existing service a consent for annexation will not be required; however, if a vacant piece of property is going to be developed and needs utility service, they will need to sign a consent for annexation.

Councilor Adorno made a motion to accept Ordinance 1264 in its entirety; the motion was seconded by Councilor Blethen.

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

5-ayes

0-nays

UNFINISHED BUSINESS

There was none.

NEW BUSINESS

Appointment of Vice Mayor Block as Acting City Manager for an additional 30 Days

Councilor Blethen made a motion to appoint Vice Mayor Block as Acting City Manager for an additional 30 days; the motion was seconded by Councilor Adorno.

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

Engagement letter for Future Capital Assessment Program

Mayor LaCascia advised this was discussed in the workshop; this to obtain the services of Nabors, Giblin & Nickerson to explore the issues and general requirements for the Future Capital Assessment Program. Mayor LaCascia then gave information as to what the Future Capital Assessment Program is all about; a copy of the engagement letter is included and made a part of the minutes. Should the City take this route, it will take from six months to a year to implement, and the total cost of Phase I and Phase II will be between \$25,000 and \$35,000. The City will be charged an hourly rate for Phase I; however, the firm would not incur more than \$6,000 in fees without first notifying the City in writing as to the progress and the estimated amount of effort remaining to complete Phase I. This will give the City a better picture in going forward with Phase II. Discussion took place between Council as follows:

- Councilor Adorno—City would be incurring this cost to explore possibilities; she asked where the money would come from. Mayor LaCascia advised the water and sewer fund with a small percentage coming from general fund.

- Councilor Blethen asked about their track record; Mayor LaCascia advised they have written a book on capital assessments for the State of Florida, and they wrote the State Statutes; this would also include the services of Dunlap & Associates.
- Councilor Kimsey asked what they can do. Mayor LaCascia advised at this point he isn't sure; he has only spent two hours with them. They will look at capital improvements and look at existing loans.
- Councilor Adorno is concerned with the amount; she understands the reason for the report is to give the City advice how to move forward. We may or may not like what they tell us. She is thinking of other projects and reports in the past.
- Mayor LaCascia commented once the issues are reviewed they would assist the City by informing the elected officials and public.
- Vice Mayor Block asked if there were any other alternatives; Mayor LaCascia responded none that he and Pam Lawson can come up with. There will be a meeting with SunTrust in a week or two. Vice Mayor Block commented there is no other alternative than to look at a group like this. Mayor LaCascia advised it could take nine months for them to complete the work.
- Councilor Blethen asked if it pertained to any future plans; Mayor LaCascia advised it contemplates \$10,000,000 in improvements.
- Additional discussion took place about how the improvements would be paid, which would be through some of type of assessment. It was also mentioned that this type of proposal would include a decrease in rates. Councilor Blethen and Kimsey advised the only way to pay this back are on the backs of the tax payer. Mayor LaCascia advised the City would not know how much until they look at everything.
- Councilor Blethen advised he would have to wait to see what they came up with.
- Vice Mayor Block asked if looked at other places to see what next steps would be.
- Councilor Kimsey commented other than property tax and utilities, where else can the City get this money from. Mayor LaCascia advised the assessment would come from the users of the system. Discussion then took place regarding the system that was given to the City from Polk County and the possibility of them taking it back. Vice Mayor Block advised the City would lose 1100 customers, which would be the worst case.
- Some discussion took place regarding the current debt and grants. The City is starting to see the light at the end of the tunnel.
- Mayor LaCascia once again advised if the engagement letter is signed, the results would be available in about nine months.
- Councilor Adorno commented we have tried to obtain as much information as possible at no cost, and now we will need to pay someone for their expertise.
- Vice Mayor Block advised we don't know how much it will cost until we do the next step.
- Mayor LaCascia asked what the fear was to enter into the engagement letter to find out the information; we will not know anything until the report comes back.
- After further discussion, Councilor Blethen commented this is a study. Mayor LaCascia commented they will come forward with a recommendation, which will have to be voted on by Council.

Mayor LaCascia made a motion to allow Acting City Manager Trudy Block to enter into the agreement with NGN to go forward with this study as put forth in their engagement letter July 27, 2010; the motion was seconded by Councilor Blethen.

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

4-ayes
1-nay

CITY MANAGER ITEMS

County Update

Acting City Manager Block advised she, Gene Kniffin and Pam Lawson met with the County regarding the spray field and County Impact Fees (County Manager Mike Herr, the Utilities Director and other County staff were present). The County wanted to know how Polk City was going to pay this back, and she gave them two options for the impact fees: 1) \$108,000 a year for five years and 2) \$132,000 for four years. Acting City Manager Block advised they prefer to be paid in four. As far as the spray field she suggested leasing the property at \$4,000 a month, with a guaranteed use of 10 years; get the property reappraised with a 3.3% interest rate over a certain period of time with the default payments being added back in. If we had been more forthcoming in the past, we would have a chance of them being more generous. Polk City is going to make a presentation on September 15th to the County Commissioners regarding taking back the system, and also how Polk City is going to pay back the County. The Mayor, Vice Mayor and Mr. Sweat from FGUA will be at that meeting; we are going to convince them we have a solution and can manage a utility.

FGUA Update

Acting City Manager advised FGUA will be at the County meeting on September 15; they will let the County know they are still interested in Polk City. She has met with other companies regarding Polk City's utilities. FGUA may be presented with the City at the County meeting. The worst case would be for the County to take the system back.

Polk County Sheriff's Contract

Acting City Manager Block let Council know the Sheriff's Contract is \$430,000 for FY 2011; it is the largest expense for the City. Acting City Manager Block advised she met with Sheriff Judd regarding the City's contract, and he is very open to making whatever changes are necessary to assist the City. Polk City currently has a Sergeant and five Deputies; however, Acting City Manager Block proposed to Council to keep Sergeant Conover and go back to regular Sheriff patrol, which would save the City approximately \$338,000 a year. This would allow the City to pay off the County debt and move forward with some capital projects. Acting City Manager Block asked if there were any questions from the Council. Councilor Blethen asked when the City got five Deputies; Mayor LaCascia advised we had six and went back to five. Mayor LaCascia also advised that Sergeant Conover would be housed here; the calls would be responded to by Sergeant Conover and the County. When the City first entered into contract with the

Sheriff's Office they received approximately \$150,000 in COPS Grants; however, that ran out. Councilor Kimsey asked if we wouldn't have service here; Mayor LaCascia advised we would have one here, and other patrols would come from normal patrols. Vice Mayor Block advised when she was meeting with Sheriff Judd he advised there are areas in Polk County more populated than Polk City; he also advised if we see it is not working, we can bring people back. The Sheriff is willing to work with us. Mayor LaCascia asked about the ramifications – we will have one person here and other people will be rotating; he spoke with the Sergeant and he doesn't see much difference in the response. It was mentioned that Sheriff Judd would not allow it if he thought it would hurt public safety and welfare of the City. Mayor LaCascia noted that of the \$640,000 we receive in Ad Valorem Revenue, \$440,000 is for the Sheriff's Office. Councilor Adorno asked if we could choose who would patrol; Vice Mayor Block advised we requested Sergeant Conover to stay; the five Deputies will be absorbed through current vacancies in the Sheriff's Office. Councilor Adorno asked what the difference would be in response time; Sergeant Conover advised the call would go to the closest Deputy in the zone. Gene Kniffin commented all calls go to Bartow then dispatched to Deputy. Sergeant Conover will report back the statistics every month; Councilor Adorno advised that would let us compare and see if there are any significant changes. Mayor LaCascia advised he will need a motion approving Acting City Manager Trudy Block to go forward in the discussion with Sheriff Grady Judd – at this time Vice Mayor Block advised we need to amend the contract to reduce it down to Sergeant Conover.

Councilor Blethen made a motion to amend the contract and reduce the amount; Councilor Kimsey seconded the motion.

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

5-ayes

0-nays

WAC/SAC

Acting City Manager Block advised a lot of the invoices have not been paid; she will be sending another letter advising if the fees are not paid, it will be turned over to a collection agency and then a lien placed on the property.

Safe Haven Halloween Event and Christmas Parade

Acting City Manager Block advised we are \$400 short in donations for the Safe Haven Halloween Event and \$1,200 short for the Christmas Parade; the City is still looking for donations.

CITY CLERK ITEMS

City Clerk Jackson advised there will be a workshop Tuesday, August 17th at 6:30 p.m., at which time the Auditor will present the Fiscal Year 2009 Audit. Mayor LaCascia asked that it be noted this is the first year out of five that it has been presented on time. Vice Mayor Block advised we have significantly decreased the criticisms that were pointed out in the past.

CITY ATTORNEY ITEMS

Contraction Update – It is his understanding a special meeting has been called for August 23rd at 6:00 p.m. to do the final presentation, discussion and vote on the contraction issue; this will be on a Monday night. He advised Council will have to vote to accept or reject the Petition for Contraction

MAYOR ITEMS

Citizens Advisory Committee – Mayor LaCascia advised in July 2009 the Citizens Advisory Committee was formed; he then informed Council and Public what the purpose was for the Citizens Advisory Committee. At that time the Resolution called for ten members and we currently have six members; Mayor LaCascia advised he is going to bring forth a motion to amend the Committee population from ten to six people because we are in the need for the committee to make recommendations on several issues that are taking place. There will be a meeting on Tuesday, August 31st at 6:00 p.m. The purpose of the meeting is an organizational meeting. Mayor LaCascia also read the names of the current Citizens Advisory Committee Members.

Mayor LaCascia advised he is looking for a motion from Council to move forward with amending the members of the Citizens Advisory Committee from the originally proposed ten to six members. Councilor Adorno so moved; the motion was seconded by Vice Mayor Block.

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

5-ayes
0-nays

Other – Mayor LaCascia commented when Council started, we agreed we would listen more to the people of Polk City. As we are out in the public people have asked a lot of questions, and people want to know how we got here. Mayor LaCascia advised he would like to answer some of the questions being asked:

- **How we got here** -- Mayor LaCascia stepped over to a chart showing the Millage Rate and Taxable Value from 2006/2007, 2007/2008 and 2009. He then went over the millage rate for each year and the taxable values for each year, and touched on the "roll-back" rate; we will get answers for this.
- **Citizens know where we are and what you're trying to do, but are asking why do we have to pay for poor city management of the last five to seven years, and what are you doing about it, if anything** – Mayor LaCascia advised "we have been and still are engaged in a fact finding exercise in the form of a detailed analysis and study of all financial certified audits, and examining minutes of all meetings looking for support from then sitting Councils for all monetary handling decisions made by the City Manager. The

specific question that keeps coming up is the moving about of public funds without prior Council approval, and we're looking at all the audits and all of the minutes to see if there is some concurrency in that when public funds were moved about because there seems to be some relationship or some legal responsibility in moving about public funds without prior Council approval. Consequently, that's another question we're trying to find out about." He advised this is on going, and all the time and cost spent on this project has been donated to the City. The City will begin to put together some of the answers as to what happened to the money and where it went. "We are not suggesting for one minute that it went to any place other than to pay obviously city bills." We have to answers to the questions that are being asked, and we are moving forward in that; this will continue until we get some answers.

VICE MAYOR ITEMS

Spoke under City Manager Items.

COUNCIL MEMBER ITEMS

Councilor Adorno – Councilor Adorno advised she does like for the public to reach out and voice their opinion. Whenever someone would like to speak with her, the best thing is to call the City, and if you want to speak to Council to please leave your information and a number where we can call you back. Someone recently called and left a message on her phone, but she could not make out the name and no number was left. If you could call city hall and leave your name, address and other information that would be good.

Councilor Blethen – Councilor Blethen thanked everyone for coming to the meeting. An investigation and examination is taking place, and he would like to know where the money was spent. As far as communications, he hopes everyone understands what the Mayor is talking about; we are trying to be transparent and keeping everyone informed. He would like to sell the idea of Polk City is getting back on line; it is going to take a lot of hard work. Councilor Blethen thanked everyone for giving their point of view and coming forward.

Councilor Kimsey – Councilor Kimsey would like for everyone to know we are attempting to be resident friendly and business friendly. He thinks Council is doing their best, and we are going to need your help and prayers as well. Councilor Kimsey thanked everyone for coming.

At this time Vice Mayor Block advised she has a few regulars that call her weekly and lets her know what is going on, what she has done right, what she hasn't, and gives some ideas. She likes talking to the citizens, and she can be reached via email at trudy.block@mypolkcity.org, or by phone.

PUBLIC COMMENTS/REQUEST

Mr. Frank Anderson, 309 Persimmon Drive, addressed the Council regarding the possibility of the City filing for Chapter 9, Bankruptcy. Mr. Anderson gave a copy of the Chapter 9, Municipality Bankruptcy, to each Councilor. He advised as a city resident with everything the Council has discussed, the big question he has is where the City is going to get the money. He doesn't think raising taxes and water bills are the right way to do business because of the economy. Mr. Anderson feels Chapter 9 is the way for the City to go; a lengthy discussion followed. Mayor LaCascia advised in a previous workshop and in discussion with City Attorney Sullivan, Council felt Chapter 9 was not necessary at this time; everything Chapter 9 does is what the City is in the process of doing. Additional discussion followed concerning Chapter 9, Bankruptcy.

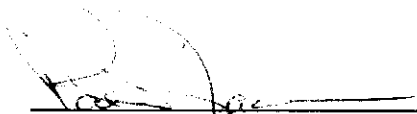
Mr. Anderson then asked what impact FGUA would have if they took over the utilities. Vice Mayor Block advised they would not purchase the utilities, and the City sets the rates. Vice Mayor Block then gave some examples of how the City could benefit by going to FGUA, and Mayor LaCascia advised there is a proposed savings of \$250,000. Vice Mayor Block advised we will not get a contract from FGUA until we have a decision from the County; however, there is an estimated \$60,000 in surplus. Brief discussion took place regarding the Mt. Olive System. Mr. Anderson conveyed to Council when they are voting they have to take citizens into consideration. Vice Mayor Block advised she thinks of that everyday; she also advised she is not being paid for the job she is doing as Acting City Manager, and Council has to plan for the future. Council is doing everything possible – cutting cost, restructuring, looking how the debt can be decreased and looking at decreasing rates.

Mr. Gene Fleming, 8955 Golden Gate, addressed Council and spoke about the Mt. Olive Spray Field. Mr. Gene Kniffin spoke about Mt. Olive being decommissioned and transferring that wastewater to the new WWTP (Cardinal Hill). Lengthy discussion took place regarding the Mt. Olive Wastewater Facility and the spray field, as well as the Regional Plant that had been proposed. Mr. Fleming then briefly mentioned the report that was mailed concerning the water analysis. Councilor Blethen advised at the time some of this was going on, he didn't speak out at the time. Mayor LaCascia also mentioned the public didn't show up; Mr. Fleming commented the citizens are the ones who will be footing the bill. Mayor LaCascia agreed, and if there is a better way out, he would like to hear it.

Mr. Doug Atwood, Mt. Olive Shores, addressed Council and feels we have a wonderful City; he briefly discussed the use of Consultants; he feels the City doesn't need them and that in the past it was a waste of money. He made reference to the Consultants the City approved tonight; Mayor LaCascia advised it was going to be done in phases, and it would not be paid all at once.

Mr. Scott Simpson, Camp Gilead, addressed Council concerning is water bill; it has jumped tremendously (he has a business rate). Mayor LaCascia advised he has spoken to Mr. Simpson regarding a plan. Vice Mayor Block advised it could be put over a 12 month period, and that every other religion is charged the business rate. Mayor LaCascia suggested they sat down and work something out.

There being no further business, Councilor Blethen made a motion to adjourn; the motion was seconded by Vice Mayor Block and unanimously carried.



Patricia R. Jackson, City Clerk



Joe LaCascia, Mayor