APPROVED: 10/3/2013

City of Eustis, Florida

City Hall
10 North Grove Street
Post Office Drawer 68
Eustis, FL 32727-0068

Meeting Minutes – Final*
City Commission

Thursday, September 19, 2013 **6:08 PM** **City Hall**

CALL TO ORDER: Mayor Muenzmay

INVOCATION: Father Cassian Dunlap, St. Andrews Orthodox Church

PLEDGE OF ALLEGIANCE: Commissioner Eckian

ACKNOWLEDGEMENT OF QUORUM AND PROPER NOTICE

Present: 5 - Vice-Mayor Linda Bob; Commissioner Albert Eckian; Commissioner Michael Holland; Commissioner Karen LeHeup-Smith; and Mayor Kress Muenzmay

I. AGENDA UPDATE - None

II. APPROVAL OF MINUTES

13218 September 5, 2013 - Regular City Commission Meeting

A motion was made by Commissioner Michael Holland, seconded by Commissioner Karen LeHeup-Smith, to Approve the Minutes. The motion passed by an unanimous vote.

III. AUDIENCE TO BE HEARD

Colleen Rotella, 217 E. Badger Avenue, distributed information to the Commission regarding the 16th Annual Lake County Folk Festival. She commented on the Public Arts and Music Group (PAM), its history, purpose and activities and stated that the organization is now a committee under the Lake Eustis Institute. She explained its previous relationship with Eustis Main Street, Inc. (EMS) and the impact on PAM following the dissolution of EMS. She further explained the funds raised by PAM were lost at that time as the funds were used to pay off the EMS bills. She cited the various sponsors of the festival, announced they have raised $8,000 for the event and reviewed some of the planned activities. She requested the City consider sponsoring the event with in-kind services and possible funding.

Mayor Muenzmay stated he would ask the Commission to discuss her request at the end of the meeting during Commission comments.

Danyel Moulden, 560 S. Exeter St., announced that in June she became President of the Eustis Historic Museum and Preservation Society. She stated that a new curator has also been hired for the museum - Kelly Coy Griffin. She reviewed a variety of upcoming events and programs and invited the community and Commission to attend their next meeting.

Gail Isaac-Thomas, 1140 Bates Avenue, expressed thanks to the Commission for construction of the new sidewalk on Kensington Street and the removal of the trees which will alleviate the darkness on that street.

IV. CONSENT AGENDA

13211 Resolution No. 13-63: Right-of-way Utilization Permit - Pichy's Cuban 2 Go

13213 Appointment to Historic Preservation Board - Larry Broden

13216 Resolution No. 13-68: Bay Street Players Grant Agreement for FY 2013/14

13217 Resolution No. 13-69: Trout Lake Nature Center Grant Agreement for FY 2013/14

A motion was made by Commissioner Holland, seconded by Vice-Mayor Bob, to Approve the Consent Agenda. The motion carried by the following vote:

Aye: 5 - Vice-Mayor Bob; Commissioner Eckian; Commissioner Holland; Commissioner LeHeup-Smith; and Mayor Muenzmay

V. ORDINANCES, PUBLIC HEARINGS & QUASI-JUDICIAL HEARINGS

13212 Resolution No. 13-58: Amendments to Personnel Rules

Derek Schroth, City Attorney, announced Resolution No. 13-58: A Resolution by the City Commission of the City of Eustis, Lake County, Florida, Amending and Adopting the Personnel Rules and Regulations of the City of Eustis in its Entirety as Set Forth in Exhibit "A".

Ann Isaacs, Human Resources Director, explained the revisions to the Personnel Rules and Regulations as follows: 1) to comply with the Affordable Care Act which requires the City to offer health insurance to part-time employees who work a minimum of 30 hours per week in 2015; and 2) to revise the merit review and award dates to correspond with the fiscal year, instead of the employee's classification date, which will be easier for budgeting purposes and more efficient.

Mr. Schroth opened the public hearing at 6:33 p.m. There being no public comment, the hearing was closed at 6:33 p.m.

A motion was made by Commissioner Holland, seconded by Commissioner LeHeup-Smith, to Approve Resolution No. 13-58. The motion carried by the following vote:

Aye: 5 - Vice-Mayor Bob; Commissioner Eckian; Commissioner Holland; Commissioner LeHeup-Smith; and Mayor Muenzmay

13214 Resolution No. 13-64: Establishing a Final Millage Rate for 2013

Mr. Schroth announced Resolution No. 13-64: A Resolution by the City Commission of the City of Eustis, Lake County, Florida, Adopting the Final Levying of Ad Valorem Taxes for the City of Eustis, Lake County for Fiscal Year 2013-2014; Providing for an Effective Date.

Jim Myers, Finance Director, announced this was the second public hearing on the millage rate and stated that Resolution No. 13-64 establishes the final millage for FY2013-14 with a proposed rate of 7.5810 mils, which exceeds the rolled-back rate of 6.7705 mils and increases taxes by by 11.97%. He commented on the reduction in the City's property values by 32% since 2007 stating that during that period the City adopted millage rates that did not increase the total ad valorem collections. He explained during that period the City could have but did not take advantage of the per capita income adjustment for each of those years. He stated that what is proposed with the 7.5810 millage rate is for the City to now take advantage of that increase.

Mr. Schroth opened the public hearing at 6:35 p.m. There being no public comment, the hearing was closed at 6:35 p.m.

A motion was made by Commissioner Holland, seconded by Commissioner Eckian, to Approve Resolution No. 13-64. The motion carried by the following vote:

Aye: 5 - Vice-Mayor Bob; Commissioner Eckian; Commissioner Holland; Commissioner LeHeup-Smith; and Mayor Muenzmay

13215 Resolution No. 13-65: Adopting a Final Budget for FY 2013-14

Mr. Schroth announced Resolution No. 13-65: A Resolution by the City Commission of the City of Eustis, Lake County, Florida, Adopting the Final Budget for Fiscal Year 2013-2014 Which Shall Include the Capital Improvement Program for the City of Eustis; Providing for an Effective Date.

Mr. Myers stated Resolution No. 13-65 will adopt the final budget for FY2013-14. He explained that the budget was prepared consistent with the prior directions by the Commission and reviewed the General Fund Reserve Targets and provided an overview of the Beginning and Ending Fund Balance, Reserves by Type, the CRA fund, the Capital Improvement Plan, and the General Fund.

Mr. Schroth opened the public hearing at 6:39 p.m. There being no public comment, the hearing was closed at 6:39 p.m.

A motion was made by Commissioner Holland, seconded by Commissioner LeHeup-Smith, to Approve Resolution No. 13-65. The motion carried by the following vote:

Aye: 5 - Vice-Mayor Bob; Commissioner Eckian; Commissioner Holland; Commissioner LeHeup-Smith; and Mayor Muenzmay

13220 Resolution No. 13-66: Atlantic Housing Conceptual Site Plan

Mr. Schroth announced Resolution No. 13-66: A Resolution of the City Commission of the City of Eustis, Florida; Approving a Conceptual Site Plan for a Senior Affordable Housing Complex on 7.42 Acres Located West of Kurt Street and North of West Charlotte St.

Lori Barnes, Senior Planner, explained that Atlantic Housing has requested approval of a conceptual site plan for a 105 unit multi-family senior housing facility. She reviewed the location of the proposed development and the conceptual site plan and explained the bonus density for affordable housing of 18 units per acre. She explained the waivers that would be required if the project moves forward as follows: 1) increase in the maximum lot width; 2) building frontage; 3) building height) and 4) parking. She noted that the conceptual plan approval is being requested due to their application for affordable housing credits. She stated that, if the credits are received, the developer would still have to go through the formal site plan process.

The Commission expressed concern about the parking space waiver asking if the site could accommodate 1.25 or 1.3 spaces per unit.

Ms. Barnes responded that one space per unit is usually adequate for senior housing projects.

Mark Gauthier, Atlantic Housing Partners, explained they had a traffic engineer study their parking pattern for their existing senior facilities. He stated that their senior communities park at between .6 and .7 spaces per unit. He referred to the site plan and stated that there will be space available to expand the parking if needed in the future.

The Commission requested that, if the project comes back for formal approval, that the plan shows where future parking could be placed.

Mr. Gauthier noted that all of their senior communities have a bus and provide shuttle service which reduces the need for parking.

Mr. Schroth opened the public hearing at 6:48 p.m.

Yvonne Spikes expressed opposition to adding additional traffic to Kurt Street unless the needed road improvements are addressed by the County and City. She cited the lack of sidewalks on Kurt Street and commented on the stormwater runoff issues in the area.

There being no further public comment, the hearing was closed at 6:54 p.m.

The Commission noted this is the second senior affordable housing project that has requested conceptual approval and confirmed that both projects cannot receive the affordable housing credits with Mr. Gauthier noting that there are also other applications for elsewhere in the County so the credits could be awarded outside the City.

The Commission discussed the condition of Kurt Street with Ms. Kramer reporting that the only project currently in the process for that area is the intersection improvements at Ardice, Mount Homer Road and Kurt Street.

The Commission questioned the progress on the intersection project and whether or not it will include a sidewalk to the Franklin House with Ms. Kramer responding there have been difficulties in obtaining right-of-way for some of the stormwater and it only includes the intersection with no new sidewalk included.

Vice Mayor Bob confirmed that within 18 months Eustis Heights Elementary will come off Kurt Street and face the Little Oaks Apartments, which will add to the traffic.

The Commission discussed whether or not the School Board would have any responsibility for improvements with Ms. Kramer responding negatively. She offered to prepare a report outlining what the City's options are for improvements to Kurt Street.

A motion was made by Commissioner Holland, seconded by Commissioner LeHeup-Smith, to Approve Resolution No. 13-66. The motion carried by the following vote:

Aye: 4 - Commissioner Eckian; Commissioner Holland; Commissioner LeHeup-Smith; and Mayor Muenzmay

Nay: 1 - Vice-Mayor Bob

13219 Resolution No. 13-67: Approval of Eustis Area Chamber of Contract Grant Funding Contract for FY2013-14

Mr. Schroth announced Resolution No. 13-67: A Resolution of the City Commission of the City of Eustis, Florida, Authorizing the Acting City Manager to Execute a Grant Agreement with the Lake Eustis Area Chamber of Commerce, Inc. for Fiscal Year 2013-14 Funding.

Richard Hoon, Assistant to the City Manager for Community Relations, reviewed the Chamber of Commerce grant funding agreement noting the following changes from the previous year's agreement: 1) grant amount increased to $20,000; and 2) includes responsibilities for the street parties.

Ms. Kramer noted that it will also be paid in one lump sum which was recommended by the Finance Director, not the Chamber.

The Commission confirmed that the frequency of the financial reporting will remain the same.

Mr. Schroth opened the public hearing at 7:01 p.m. There being no public comment, the hearing was closed at 7:01 p.m.

A motion was made by Commissioner Holland, seconded by Commissioner LeHeup-Smith, to Approve Resolution No. 13-67. The motion carried by the following vote:

Aye: 5 - Vice-Mayor Bob; Commissioner Eckian; Commissioner Holland; Commissioner LeHeup-Smith; and Mayor Muenzmay

13222 Resolution No. 13-70: Contract for Sale and Purchase of City-Owned Property

Mr. Schroth announced Resolution No. 13-70: A Resolution of the City Commission of the City of Eustis, Florida; Authorizing the City Manager to Execute a Contract with Daryl M. Carter, Trustee and/or Assigns, for the Sale and Purchase of City-Owned Property East and South of Cardinal Lane.

Ms. Kramer presented an offer to purchase a portion of the City sprayfield property. She stated that two appraisals have been received on the property with an average of $1.2 million which is consistent with the Property Appraiser's value per acre for the entire site. She stated the offer being presented is for $1,250,000 and they have agreed to the City Attorney's changes in the contract. She then stated that staff has since received a second offer in the amount of $1,275,000. She recommended that the Commission deny Resolution No. 13-70 and allow both parties to submit a final and best offer with the following requirements: 1) a cash offer; 2) a minimum offer of $1.2 million; 3) a $35,000 nonrefundable deposit; 4) a maximum 60 day due diligence period; 5) an additional $15,000 deposit after the due diligence; 6) closing to occur within ten days after the due diligence period; 7) no other contingencies for land use approval; 8) they must use a commercial FARBAR contract; 9) that the City's attorney - Bowen, Radson & Schroth - will be the closing agent; 10) that the refundable deposit be given to the City; and 11) that the final and best offer will be sealed and received no later than noon, October 7th. Staff would put the proposed sale of the property on the City's website so other interested parties can submit offers and the Commission could take final action at the October 17th regular meeting. She noted that both parties have representatives present.

Mr. Schroth opened the public hearing at 7:05 p.m. There being no public comment, the hearing was closed at 7:05 p.m.

The Commission discussed requiring that the $35,000 nonrefundable deposit be paid directly to the City rather than into escrow with the refundable $15,000 deposit placed in escrow. The Commission also discussed the assignability of the offers and ability of the potential buyers to "walk away".

Mr. Schroth stated that if the Commission wants to specify that the offer can't be assignable that needs to be included in the bid specifications. He noted the comment regarding whether or not the proposed use will be suitable for residential or not. He stated that with the $35,000 coming directly to the City that should not matter as much.

The Commission confirmed that the assignability would not be an issue with the $35,000 being paid directly to the City and that the $35,000 would be applied to the final purchase price.

A motion was made by Commissioner Holland, seconded by Commissioner Eckian, to Deny Resolution No. 13-70 and for staff to proceed with posting the sprayfield property for sale with sealed bids to be submitted no later than October 7th at Noon and to include the other requirements stipulated by the City Manager. The motion carried by the following vote:

Aye: 5 - Vice-Mayor Bob; Commissioner Eckian; Commissioner Holland; Commissioner LeHeup-Smith; and Mayor Muenzmay

VI. OTHER BUSINESS

13223 City Commission Interaction with City Attorney

Ms. Kramer explained the item is on the agenda at the request of the City Commission to discuss how the Commissioners interact with the City Attorney. She stated that if the Commission wants to make any changes it is probably most appropriate to amend the Governance Guide which includes protocols regarding how the Commission interacts with staff and provides direction.

Commissioner LeHeup-Smith clarified her concern about the possibility of a single Commissioner directing the City Attorney to do something that had not been agreed to by the entire Commission.

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Mr. Schroth explained that under the Rules of Order and the Charter a Commissioner can request any item be placed on a future agenda. He cited the request to have a resolution placed on the agenda for the removal of the former City Manager and stated that a future agenda request could be a direction to the City Attorney to prepare a resolution or ordinance.

The Commission discussed the following issues: 1) possibility of needing a majority of the Commission to provide direction; 2) allowing individual Commissioners to talk to the City Attorney; 3) requesting future agenda items and the previous amendment to the Rules of Order including "future agenda items" on the agenda format; 4) the ability of the Commission to talk to City staff but cannot provide direction without going through the City Manager and cannot request a review of a department without the request of at least two Commissioners; and 5) concern regarding the possibility of "muzzling" the Commissioners.

The Commission discussed direction in the Charter regarding how the Commission relates to the City Attorney and staff and what is included in the City Attorney's contract.

Mr. Schroth stated that the Charter provides a specific procedure for removal of the City Manager. He suggested for other issues the Commission has the ability to include in their Rules of Orders a restriction on the preparation of other resolutions and ordinances to require a majority of the Commission's approval. He emphasized the need to leave as is the Charter procedure for removal of the City Manager.

The Commission discussed the need for the Commission to work together as a team and the need for Commissioners to be able to independently have items placed on the agenda.

CONSENSUS: It was a consensus of the Commission to leave the Commission Rules of Order and Governance Guide as is.

VII. FUTURE AGENDA ITEMS

Commissioner Eckian requested to place on the October 3rd agenda discussion about possibly postponing the search for a new City Manager and to continue with Ms. Kramer as the Acting City Manager indefinitely.

The Commission discussed the current issues facing the City and whether or not Ms. Kramer is willing to continue to serve indefinitely and her familiarity with those issues.

Ms. Kramer noted that an RFP has already been issued for a recruitment firm. She stated the RFP would have to be revised to extend the deadline to beyond the next meeting date in order to allow time to make that decision.

Ms. Kramer then asked the Commission if they wanted to hold a workshop to discuss the merit pay plan.

CONSENSUS: It was a consensus of the Commission to hold a workshop following the October 3rd regular meeting.

Ms. Kramer then asked the Commission if they wanted the Comprehensive Plan amendment to be brought back in a workshop or on first reading.

CONSENSUS: It was a consensus of the Commission to hold a workshop on all of the changes to the comprehensive plan before having the amendment brought back on first reading.

VIII. COMMENTS

City Commission

Mayor Muenzmay brought back the request from Colleen Rotella for the City to provide support for the Folk Music Festival.

The Commission discussed the issue and whether or not it would need to be placed on the next agenda with Mr. Schroth indicating the Commission has it within their discretion to direct the City Manager to approve the donation.

The Commission discussed accountability for use of the funds with Ms. Rotella confirming that the Lake Eustis Institute is handling all of their fiduciary matters and they would be happy to provide a full accounting of the expenditures.

Mr. Schroth explained that the payment would need to be in the form of a donation to the Lake Eustis Institute specified for the Folk Festival due to the City having a formal grant process.

CONSENSUS: It was a consensus of the Commission to provide a $2900 donation for the 2013 Folk Music Festival with payment to be paid to the Lake Eustis Institute.

Commissioner Holland reported that former City firefighter Jim Kennedy passed away and that his visitation was being held at Harden Pauli Funeral Home with the funeral to occur on Friday, September 20th in Greenwood Cemetery.

Mayor Muenzmay reminded everyone about the Cattle Baron's Ball fundraiser for the American Cancer Society.

Commissioner LeHeup-Smith announced the LEMA (Lake Eustis Museum of Art) opening for the Catherine Stockwell exhibit. She also announced the Kiwanis Club of Eustis will be cooking pancakes as part of the Folk Festival. She noted they would also be raffling a Thomas Kincaid framed print currently on display at Olivia's.

City Manager

Ms. Kramer clarified that the $2900 donation would be taken from the current year's budgeted Economic Development funds. She thanked the Commission for their leadership and approval of the millage increase.

City Attorney - None

IX. ADJOURNMENT - 7:57 p.m.

MARY C. MONTEZ
City Clerk

KRESS T. MUENZMAY
Mayor/Commissioner

*These minutes reflect the actions taken and portions of the discussion during the meeting. To review the entire discussion concerning any agenda item, go to www.eustis.org and click on the video for the meeting in question. A DVD of the entire meeting or CD of the entire audio recording or verbatim transcript of the meeting can be obtained from the office of the City Clerk for a fee.