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 5, 2013 **6:00 PM** **City Hall**

CALL TO ORDER: Mayor Muenzmay

INVOCATION: Father Cassian Dunlop, St. Andrews Orthodox Church

PLEDGE OF ALLEGIANCE: Vice Mayor Bob

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

Dianne Kramer, Acting City Manager, informed the Commission that a request was made at the August 20th Commission meeting to have on the agenda a discussion of how individual Commissioners interact with the City Attorney; however, that issue would be on the September 19th agenda.

II. APPROVAL OF MINUTES

13210 August 20, 2013 - Regular City Commission Meeting
August 28, 2013 - Special City Commission Meeting

A motion was made by Commissioner Michael Holland, seconded by Vice-Mayor Linda Bob, to approve the Minutes as submitted. The motion passed by an unanimous vote.

III. AUDIENCE TO BE HEARD - None

IV. CONSENT AGENDA

13202 Resolution No. 13-61: Water Service/Annexation Agreement for 37207 S. Fishcamp Rd.

13208 Acting City Manager Compensation

A motion was made by Commissioner Holland, seconded by Commissioner LeHeup-Smith, 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

VI. ORDINANCES, PUBLIC HEARINGS & QUASI-JUDICIAL HEARINGS

13197 Resolution No. 13-53: Establishing a Tentative Millage Rate for 2013

Derek Schroth, City Attorney, announced Resolution No. 13-53: A Resolution by the City Commission of the City of Eustis, Lake County, Florida, Adopting the Tentative 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, stated that the resolution will establish the tentative millage rate for fiscal year 2013-2014 and noted that the information to be provided is also available on the City's website. He announced that the FY2013-14 proposed operating millage rate is proposed at 7.5810 mils, which is greater than the roll-back rate of 6.7705 mils and increases taxes by 11.97%. He explained the property values in the City have decreased approximately 32% since 2007 noting that during that time the City adjusted its millage rate to the simple roll-back rate which is the millage rate that generates the same revenues as the previous year. He reviewed the differences in the millage rate definitions noting that the City in the past has not taken advantage of the per capita income adjustment that has been allowed since 2007. He explained that what is being proposed is the larger of the roll-back rates which does take into consideration the incremental per capita income adjustment for each of the previous years and which will increase taxes by 11.97%. He reviewed a chart of the millage rates of the other cities within the County and stated that the proposed rate will maintain the City's ranking within the County. He stated that the tentative budget that will be presented was prepared based on the proposed millage rate of 7.5810 mils. He explained the purpose of the proposed millage rate as follows: 1) will close the gap between recurring revenues and expenses to the General Fund to less than $120,000, compared to $2.3 million in 2008; 2) provides funding to meet reserve levels established in 2008 by the City Commission; 3) allows no decrease in City services; and 4) provides competitive compensation for City employees who have received no increases over the past five years.

Mr. Schroth opened the public hearing at 6:09 p.m. There being no public comment, the hearing was closed at 6:09 p.m.

The Commission discussed comments received from City residents regarding the millage rate and cited the effect on the taxes for a $150,000 home, the difference between 2007 taxes and the proposed taxes noting that the tax in 2012 was less than the tax in 2007 with an overall $77 increase over the seven-year period. The Commission also noted the number of projects completed during the time period and the reduction in City staff during that same time.

Mr. Myers commented on the different values between different homes, the slowing of the reduction in property values and the increase in building construction.

A motion was made by Commissioner Holland, seconded by Commissioner LeHeup-Smith, to Approve Resolution No. 13-53. The motion carried by the following vote:

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

13198 Resolution No. 13-54: Adopting a Tentative Budget for FY 2013-14.

Mr. Schroth announced Resolution No. 13-54: A Resolution by the City Commission of the City of Eustis, Lake County, Florida, Adopting the Tentative Budget for Fiscal Year 2013-2014; Providing for an Effective Date.

Mr. Myers explained Resolution No. 13-54 would adopt a tentative budget for FY2013-14. He provided a Powerpoint presentation with an overview of the proposed budget for FY2013-14. He stated that the tentative budget was prepared consistent with the Commission's previous directions as follows: 1) no layoffs; 2) a millage rate adjustment to fund the market pay adjustments over a two-year period and to reinstitute the merit pay adjustments; 3) meets the General Fund Reserve targets of $4,128,000; and 4) includes a reserve for debt payment over the next four years of $1.4 million. He reviewed the budget initiatives as directed by the Commission and provided an overview of the following: 1) overall beginning and ending Fund Balance; 2) Total Reserves by Type; 3) the CRA Fund; 4) the Capital Improvement Plan projects; and 5) the General Fund including recurring revenues and expenditures, General Fund revenues, General Fund expenditures, General Fund budget variations, a General Fund comparison between FY2012-13, FY2013-14 and FY2014-15, and a General Fund Reserves comparison between FY08-09 and FY14-15. He stated staff requests approval of Resolution 13-54 and the tentative budget and announced a second public hearing would be held on September 19th for both the millage rate and tentative budget.

The Commission commented on the plan to have recurring revenues and expenses in balance by FY2015-16 and the need to be proactive rather than waiting for economic improvement.

Mr. Myers responded citing the reduction in the gap between recurring revenues and expenditures due to the proposed millage increase. He noted increases in building permit activities and estimated population and explained that the population estimates are used to determine most of the City's state intergovernmental revenue. He noted estimated increases in other revenues including sales tax.

Mr. Schroth opened the public hearing at 6:28 p.m. There being no public comment, the hearing was closed at 6:28 p.m.

A motion was made by Commissioner Holland, seconded by Commissioner LeHeup-Smith, to Approve Resolution No. 13-54. The motion carried by the following vote:

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

13204 Resolution No. 13-59: Brookshire Subdivision Final Plat

Mr. Schroth announced Resolution No. 13-59: A Resolution of the City Commission of the City of Eustis, Florida; Approving the Final Subdivision Plat for Brookshire Subdivision Located on Approximately 21.03 Acres Located in the Southwest Corner of the Intersection of Orange Avenue and State Road 44.

Ms. Kramer explained the request to table the item until October 3rd. She stated that the resolution had already been advertised; however, the developer did not submit all of the statutory requirements in time.

Mr. Schroth opened the public hearing at 6:29 p.m. regarding tabling of the resolution. There being no public comment, the hearing was closed at 6:29 p.m.

A motion was made by Commissioner Holland, seconded by Vice-Mayor Bob, to table Resolution No. 13-59 until the October 3rd agenda. The motion carried by the following vote:

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

13205 Resolution No. 13-60: Site Plan Approval with Waiver for Improvements to Marsh Park

Mr. Schroth announced Resolution No. 13-60: A Resolution of the City Commission of the City of Eustis, Florida; Approving a Site Plan for Improvements to Marsh Park with a Waiver Request to Reduce the 50 foot Water/Wetland Setback in One Area to Provide Boat Launching and Parking on Property Located at 36545 Yale Retreat Road.

Lori Barnes, Senior Planner, explained that Lake County has submitted a site plan for improvements to Marsh Park. She reviewed the plan and proposed facilities for the park. She stated it does include a waiver to the 50-foot water wetland setback which would affect a small area of the boat launch parking and sidewalk. She stated no comments were received from the public. She indicated the following representatives were in attendance to answer questions: Brook Miller, Lake County Parks, and Jeff Earhart from CPWG.

Mr. Schroth opened the public hearing at 6:32 p.m.

Sharon Roberts, 15316 Old Chisholm Trail, expressed concern regarding the number of small trails at the park and noted previously there were a number of indigents in the area. She asked that the area be made more secure so it will be safer for children.

Bea Paulhamus, 1950 N. Country Road, commented on the quiet of the park and cited the amount of wildlife in the park. She expressed concern for the wildlife and indicated the low numbers of children in Lake Yale Retreat. She also noted the curve on CR452 and the number of accidents occurring in the area.

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

The Commission commented on the natural beauty of Marsh Park, the possibility more people will be able to use the park, making the park more user-friendly and who is responsible for law enforcement within the park and on CR452.

Fred Cobb, Chief of Police, confirmed that the City is responsible for enforcement in Marsh Park and for part of CR452. He added that part of CR452 is County enforced.

Jeff Earhart, Engineer with CPWG Inc., explained the goal was to keep the natural beauty of the park while expanding the use of the park. He stated that some of the facilities will go where there is currently open space. He stated that the current plan is to bring water and septic to the restrooms.

The Commission questioned how they will retain as much of the natural beauty as possible.

Mr. Earhart responded there will be very few of the oak trees removed. He explained they will be utilizing the existing open space and roadway, adding sidewalks so that the trails are defined, and adding parking along Old Retreat Road to get the students to the bus stop. He emphasized they are trying to keep as much of the natural beauty as possible while having a playground for the children and other amenities to attract people to the park.

Ms. Kramer confirmed that there are portions of the property that are not being disturbed with Mr. Earhart responding they are only putting facilities in areas that are already being maintained. He cited various areas that are not being disturbed.

The Commission questioned what percentage will not be disturbed with Mr. Earhart responding that approximately 60% of the park will not be disturbed.

Ms. Roberts noted there are a number of children that live in Lake Yale Retreat and added that dogs are also a concern and expressed support for a separate area for them. She noted that there is already a basketball court that doesn't get used and commented that law enforcement was out a lot the previous year.

A motion was made by Vice-Mayor Bob, seconded by Commissioner Eckian, to Approve Resolution No. 13-60. The motion carried by the following vote:

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

SECOND READING

13188 Ordinance No. 13-11: Creating Downtown Waterfront Entertainment District

Mr. Schroth read Ordinance No. 13-11 by title on second and final reading: An Ordinance of the City Commission of the City of Eustis, Lake County, Florida, Creating a Downtown Waterfront Entertainment District; Amending Chapter 10, Amusements and Entertainment, by Adding Article III Downtown Waterfront Entertainment District; Amending Chapter 6, Sections 6-8, 6-9(d) and 6-10 (a) and (b) Alcoholic Beverages; Providing an Effective Date.

Mr. Schroth opened the public hearing at 6:45 p.m.

Christie Bobbitt, Executive Director of the Eustis Area Chamber of Commerce, asked about the impact on the Chamber having beer tents during their special events.

Richard Hoon, Assistant to the City Manager for Community Relations, confirmed that it will not affect their ability to have a beer tent during events.

There being no further public comment, the hearing was closed at 6:46 p.m.

A motion was made by Commissioner Holland, seconded by Commissioner LeHeup-Smith, to Adopt Ordinance No. 13-11 on second reading. The motion carried by the following vote:

Aye: 3 - Commissioner Holland; Commissioner LeHeup-Smith; and Mayor Muenzmay

Nay: 2 - Vice-Mayor Bob; and Commissioner Eckian

13184 Ordinance No. 13-13: Indemnification for City Commissioners

Mr. Schroth read Ordinance No. 13-13 by title on second and final reading: An Ordinance of the City Commission of the City of Eustis, Lake County, Florida, Adopted Pursuant to Florida Law, Providing a Legal Defense, Indemnification, Payment of Attorneys' Fees, Costs, and Damages of the City of Eustis City Commissioners for Acts Occurring Within the Scope of Their Office or Appointment and Not Prohibited; Providing Legislative Findings; Providing Intent and Purpose; Providing a Prohibition; Providing a Repealing Clause; Providing for Severability; and Providing for an Effective Date.

Mr. Schroth opened the public hearing at 6:48 p.m. There being no public comment, the hearing was closed at 6:48 p.m.

A motion was made by Commissioner Eckian, seconded by Commissioner LeHeup-Smith, to Adopt Ordinance No. 13-13 on second reading. The motion carried by the following vote:

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

VII. OTHER BUSINESS

13206 Purchase Offer

Ms. Kramer reported on an offer for the City to purchase property from the Everlasting Life Church of God for use with the City's Palmetto Plaza project. She explained the City previously proposed to purchase property from the Church to be used for parking for Palmetto Plaza. Later the City offered to swap a parcel with the Church with an additional payment of $2 per sq.ft. for an approximate total of $11,000. She noted a recent meeting with Church members, the Mayor, Vice Mayor and City staff. The Church has now offered to do the land swap with the City to also pay approximately $11 per sq.ft. for a total of $450,000 per acre. She stated she could not recommend that high a price for the property. She noted that the $2 per sq.ft. was higher than the appraised value of the property and was in line with what the City had paid for right-of-way. She added that to reconfigure the project at this stage to incorporate the property would also add to the cost of the project due to additional engineering costs. She stated the Commission has two options: 1) Present a final offer to be accepted within two weeks; or 2) Decline the offer and proceed with completion of the project.

The Commission commented on the need for the City to save cash for completion of the project; the possibility of considering other property in the area; and not wanting to spend more than the property is worth.

CONSENSUS: It was a consensus of the Commission to decline the offer and move forward with the project.

13209 Sale of City Property

Ms. Kramer noted that previously the Commission had expressed an interest in selling the City Manager vehicle to the former City Manager. She explained that the City Attorney researched the issue and determined that it could not be sold as surplus. She added that the former manager has said he is no longer interested in the vehicle. She recommended that the vehicle be left at City Hall for other staff members to utilize rather than leaving it in storage.

CONSENSUS: It was a consensus of the Commission for the vehicle to be used in the interim by City Hall staff.

VIII. FUTURE AGENDA ITEMS

Mayor Muenzmay noted a letter received from Susan Moxley, Superintendent of Schools, and Kyleen Fischer, School Board Member, regarding an intersection at Orange Avenue and CR44 and asking for the City to partner with the School Board to make the intersection more pedestrian friendly.

Chief Cobb reported that, following the School Board's decision to reduce busing routes, the City had received comments from parents regarding concern about the walking routes to the high school and middle school. He stated that the area on East Orange Avenue was determined a hazardous walking route for students; however, the intersection does not meet state statutes for a crossing guard due to having a traffic signal and the amount of traffic. He reported that the Police Department has been monitoring the situation and there are no students currently using that intersection. He stated that he wasn't sure there is sufficient student traffic to warrant the hiring of a crossing guard.

Mayor Muenzmay expressed the need to respond to the letter as well as to keep the students safe. He noted recent action taken by the School Board to reconsider busing for some of the more hazardous areas.

The Commission and staff discussed the following: 1) urging the School Board to reverse their decision on courtesy busing; 2) the School Board better defining hazardous walking conditions; 3) the School Board possible charging a fee for courtesy busing; 4) the need to monitor the walking routes for increased usage; 5) the need to paint current crosswalks; and 6) staff drafting a response letter to include a suggestion for the creation of a Safety Committee to evaluate hazardous conditions and support for any legislation to increase state funding for busing.

CONSENSUS: It was a consensus of the Committee for staff to draft a response letter including the issues discussed.

IX. COMMENTS

City Commission

Commissioner Holland commented on the presentation of the donation check from the August First Friday event to Eustis High School. He also commented on an accident that occurred at US441 and David Walker Rd. He complimented the police and fire from the City and surrounding agencies for their coordination and expressed thanks.

Vice Mayor Bob noted that the young woman who died in the accident was someone she had mentored and is also the mother of two small children. She commented on the first two weeks of school and noted the need for volunteers in the schools.

Commissioner LeHeup-Smith announced the next artist's opening at the Lake Eustis Museum of Art which will occur on September 20th.

Commissioner Eckian thanked the Chamber and their volunteers for their efforts at the First Friday events. He further commented on the donation to the high school and its use for underfunded or unfunded programs.

Mayor Muenzmay thanked Commissioner Holland for his representation at the high school. He noted the Chamber's Business After Hours and stated that, at the next Chamber breakfast, Striking Effects would present $1500, $500 for each elementary school, for the purchase of school supplies. He thanked the Commission, Ms. Kramer and the public for their participation and the need to unite everyone on how to move the City forward.

City Manager

Ms. Kramer informed the Commission that staff needs a "shade" meeting for discussion on collective bargaining with the firefighter union. She asked to schedule the meeting for 5:00 p.m. prior to the September 19th Commission meeting with the previously scheduled workshop to begin about 5:30 and, if necessary, to continue the workshop after the regular meeting or to another date.

CONSENSUS: It was a consensus of the Commission to schedule the "shade" meeting for 5:00 p.m. on September 19, 2013.

She reported that following approval of the conceptual plan for Pendleton Commons, the proposed affordable housing development, she was contacted by the applicant regarding a requirement for a local government donation. She explained that the application requires a contribution from the local government in the amount of $37,500. She stated she told the applicant the City does not have funds available for that; however, the project would qualify for the voucher program which would provide a maximum of $30,000. She stated they have also asked to defer payment of their impact fees. She explained their proposal to pay the fees and have it placed in escrow; however, it would not be released to the City for five years. She further explained that would show on their books as an approximately $41,000 donation due to the difference in current and future value. She stated that the City's ordinance is unclear regarding the financing of impact fees. She asked if the Commission is willing to discuss the issue at the next meeting.

The Commission discussed the proposal with the following issues: 1) concern regarding setting a precedent; 2) the possibility of deferment being a vehicle for attracting development; and 3) whether the proposal is the same as financing.

Mr. Schroth indicated that would not meet the typical definition of financing; however, if the Commission is interested the ordinance could be revised to allow the proposal.

CONSENSUS: It was a consensus of the Commission to allow the item to be placed on the next agenda for discussion.

Ms. Kramer indicated she would continue to discuss the proposal with the applicant and noted that another developer is also looking at an affordable housing development in the City. She noted that only one of the developments can be awarded the credits. She confirmed for the Commission that the other development would be in the same area off of Kurt Street.

Ms. Kramer announced the RFP for a professional recruitment firm had gone out with interviews for the short list scheduled for October 3rd. She reported staff is proceeding with the renewal of the property insurance as previously indicated. She stated that former City Manager Paul Berg had volunteered to be on the League of Cities Finance, Taxation and Personnel Legislative Policy Committee, which will hold its initial meeting on September 20th. She stated she did not feel she could serve on the Committee and asked if any Commissioner wanted to serve on it or should she just tell them Mr. Berg is no longer available.

CONSENSUS: It was a consensus of the Commission to notify the League of Cities that Mr. Berg is no longer available to serve on the committee.

Ms. Kramer then reminded the Commission that she will be on vacation the following week and that Ann Isaacs would be in charge.

City Attorney - None

X. ADJOURNMENT - 7:30 p.m.

Mary C. Montez

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.