



City of Eustis, Florida

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

Meeting Minutes – Final* City Commission

Tuesday, January 8, 2013

7:30 PM

City Hall

CALL TO ORDER: Mayor Hooper - 7:30 p.m.

INVOCATION: Rev. Elijah Perry, Church of God by Faith

PLEDGE OF ALLEGIANCE: Commissioner Holland

ACKNOWLEDGEMENT OF QUORUM AND PROPER NOTICE

Present: 7 - Commissioner Michael Holland; Mayor Kress Muenzmay; Vice-Mayor Linda Bob; Commissioner Karen LeHeup-Smith; Commissioner Albert Eckian; Retiring Mayor/Commissioner Susan Hooper; and Retiring Commissioner William Ferree

I. AGENDA UPDATE - None

II. RETIRING MAYOR'S MESSAGE

Mayor Hooper gave her outgoing message as follows: "To the People of Eustis - Thank you for the opportunity to serve you as Commissioner, Vice Mayor, and as Mayor this past year. I have learned so much and I am humbled by the trust and support that has been given to me. To Mr. Berg, our City Manager, his staff, and the department heads, and our employees - You are all special to me. You have shown real Eustis spirit during some difficult times. To all the Commissioners with whom I've served these last four years - I want to thank you. I consider you all dear friends with a special bond formed by civil discussions of differing opinions, never holding a grudge, but moving forward to make Eustis truly the City of Culture, Opportunity and Vitality.

Culture is evident everywhere. Bay Street Players is the best community theater anywhere. The Eustis Historical Museum and the Lake Eustis Museum of Art are real assets to our City. Our African American Heritage Festival grows bigger and better each year. Eustis is full of history and talent. Opportunity abounds.

This year the City completed major wastewater and stormwater projects which replaced antiquated systems. Following the stormwater project, we completed a beautiful downtown streetscape. All were completed under budget. Because of the money saved, the City can move ahead with the reclaimed water project which will reduce demands on our water system and allow for more growth in Eustis. Infrastructure is vital to economic development.

In addition, we have one of the best incentive packages in the area. It was designed to attract new businesses to our City. Governor Rick Scott provided Eustis with an Enterprise Zone to provide additional incentives. The Kensington Gateway project broke ground last month and the plans for Palmetto Plaza have been approved.

These two projects will bring economic development back to an area in Eustis that was once a commercial hub. Eustis is environmentally conscious. In 2012, we implemented a City-wide, single stream, recycling program with Waste Management. This helps the environment and gives our citizens the opportunity to earn credits for recycling. Another wonderful opportunity was achieved when Eustis assisted the Lake Eustis Area Chamber of Commerce in bringing the Northeast Lake County Business Opportunity Center to Eustis. Chamber CEO Nancy Muenzmay and City Manager Paul Berg worked tirelessly on this endeavor that makes the City a commerce center for the County. In addition, Terry Bradshaw's television program, "Today in America", featured Eustis. This gave us some national exposure last year.

Vitality happens when people come together. We are a friendly City - the best place to live. New businesses have found Eustis. New buildings have been built downtown. Old businesses have expanded. It's a great place to work and we have fun. You see it in GeorgeFest - this year in its 111th consecutive year this February. It is the oldest festival celebrating George Washington's birthday in Florida and the second oldest in the United States. GeorgeFest is Eustis' premier event and is organized and superbly run by the Lake Eustis Area Chamber of Commerce. Many of our residents, surrounding communities, look forward to the monthly First Friday streetfests and the Classic Car Cruise-ins. These events, and the annual Eustis Boat Festival, are due to the hard work of Eustis Main Street. My goal this year was to encourage the "One Eustis" concept. We are a diverse community in that we have differences in race, age and economic status but we can come together to work, live and play. We are all citizens of the Eustis family. Thank you very much!"

III. PRESENTATIONS TO RETIRING MAYOR AND OUTGOING COMMISSIONER

Vice Mayor Muenzmay and Paul Berg, City Manager, presented recognition plaques to Commissioners Bill Ferree and Sue Hooper, as well as a gavel plaque in honor of Ms. Hooper's service as Mayor for 2012.

IV. OATH OF OFFICE - COMMISSIONERS-ELECT

Mary Montez, City Clerk, administered the official Oath of Office to incoming Commissioners Albert Eckian and Karen LeHeup-Smith and returning Commissioner Michael Holland.

V. APPOINTMENT OF CITY CLERK AS TEMPORARY CHAIRMAN

Vice Mayor Muenzmay appointed the City Clerk as temporary Chair for the purpose of electing the 2013 Mayor.

VI. ELECTION OF MAYOR

13009 Election of Mayor and Vice-Mayor

Ms. Montez reviewed the election process for the audience and opened the floor for nominations for Mayor.

Commissioner Eckian nominated Vice Mayor Muenzmay as Mayor.

There were no further nominations put forward so Ms. Montez requested a motion to close the nominations.

On a motion by Commissioner Holland, seconded by Commissioner Eckian, the nominations were closed.

On a roll call vote, Commissioner Muenzmay was unanimously elected as Mayor for 2013.

VII. ELECTION OF VICE-MAYOR

Mayor Muenzmay opened the floor for nominations for Vice Mayor for 2013.

Commissioner Eckian nominated Commissioner Bob for Vice Mayor.

On a motion by Commissioner LeHeup-Smith, seconded by Commissioner Eckian, the nominations were closed.

On a roll call vote, Commissioner Bob was unanimously elected Vice Mayor for 2013.

VIII. SEATING OF MAYOR AND VICE-MAYOR

Mayor Muenzmay and Vice Mayor Bob assumed their respective seats on the dais.

IX. APPROVAL OF MINUTES

- 13001 December 6, 2012 - Regular City Commission Meeting
December 6, 2012 - Eustis Canvassing Board Meeting

A motion was made by Commissioner Holland, seconded by Commissioner Eckian, to Approve the Minutes as submitted. The motion carried by the following vote:

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

X. AUDIENCE TO BE HEARD - None**XI. CONSENT AGENDA**

- 13003 Appointment to the Historic Preservation Board - Joseph Pellegrini
13004 Appointment to the Code Enforcement Board (CEB) - Jaime Washo
13006 Resolution No. 13-01: Purchase of Fire Department Bunker Gear

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

XII. ORDINANCES, PUBLIC HEARINGS & QUASI-JUDICIAL HEARINGS**FIRST READING**

- 13007 Ordinance No. 13-01: Conditional Use Permit for a K-12 Special Education School Facility, with Support Services, at 1217 Huffstetler Dr.

Derek Schroth, City Attorney, read Ordinance No. 13-01 by title on first reading: An Ordinance of the City Commission of the City of Eustis, Lake County, Florida, approving a Conditional Use Permit for a K-12 Special Education School Facility, with Support Services, in the Mixed Commercial/Industrial (MCI) Land Use District on Approximately 4.12 Acres Located at 1217 Huffstetler Drive.

Dianne Kramer, Development Services Director, explained the request is for the K-12 education center that is currently located on School Board property but would be moving to the Premier Professional Park. She noted that middle and high schools are allowed in the MCI land use district; however, since there would be elementary age children in the facility a Conditional Use Permit would be required. She expressed staff's recommendation for approval.

The Commission confirmed that Lifestream had purchased the property.

Mayor Muenzmay disclosed that he is a member of the Lifestream Board of Directors which is a noncompensated position.

Mr. Schroth opened the public hearing at 7:54 p.m. There being no public input, the hearing was closed at 7:54 p.m.

A motion was made by Commissioner Holland, seconded by Commissioner Eckian, to Approve Ordinance No. 13-01 on First Reading. The motion carried by the following vote:

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

XIII. OTHER BUSINESS**13008 Sorrento Solar Farm, LLC Request for Closing Date Extension**

Mr. Berg reviewed the history of the pending sale of the City's sprayfield property to Sorrento Solar Farms, LLC. He stated that the property has not closed and the sales contract has expired. He indicated they still desire to purchase the property which would require action by the Commission to either direct an amendment to the expiring contract or authorize staff to execute a new contract.

Mr. Schroth explained the request by Sorrento Solar Farms to extend the due diligence period by 60 days. He stated that, if the Commission grants the extension, Sorrento Solar Farms feels the deposit would be nonrefundable at that point but they request that the deposit would be applied to the purchase price if the closing occurs within that 60-day period. He added that the Commission has the discretion to not grant the extension and explained his opinion that the deposit is currently nonrefundable. He further explained that, if the extension is not granted, the City would have to litigate over the deposit as they have not conceded that the City is entitled to the deposit but have disputed that; therefore, a judge would have to decide or a resolution would have to be reached regarding the deposit.

Carlos Gonzalez, Managing Director for Sorrento Solar Farms, explained to the Commission the process they have gone through and noted that they indicated in September that it would be very difficult to be ready for a closing on January 4th. He stated that all of the approvals have been received; however, the lenders want the approvals recorded and, as of that time, the County has not recorded those documents. He noted that they did not receive the title commitment letter from the City until December 31st which gave them four days to review it and provide any changes. He stated that the contract required no less than five days for comments and for the title commitment letter to be provided to them no less than 20 days prior to closing. He further explained there were seven issues with the title commitment and the lender required those to be corrected prior to closing. He requested an additional 30 days for the closing.

Mr. Schroth noted that Sorrento Solar Farms' attorney requested 60 days and that is the request before the Commission.

Mr. Gonzalez indicated that 30 days should be sufficient and commented on the need for the easements to be included in the title commitment for ingress and egress to the site. He further commented on the seven items that need to be corrected in the title commitment letter.

The Commission confirmed that the corrections to the title commitment letter had been completed with Mr. Schroth noting that the easement is included in the deed.

The Commission commented on the following issues: 1) the selection of January 4th as the closing date; 2) the contract not being contingent upon financing but was a cash contract; 3) the need to meet the deadline regardless of the holidays; 4) the history of the project with Blue Chip Energy and its affiliates and problems with the previous lease agreement; 5) media publicized issues with the company; 6) public opinion on the issue; 7) the possibility of postponing extension of the contract; 8) possibly discussing the best use of the property as part of the strategic plan update; 9) the decision by the previous Commission that the best use of the property was to sell it for use as a solar farm; and 10) granting a 30-day extension but making it the final extension.

The Commission discussed the following: 1) granting the extension but, in the same document, requiring the release of the \$50,000 from escrow with the stipulation that, if the property closed within the timeframe, it would be applied to the purchase price; and 2) the number of days to allow for the extension.

Mr. Schroth noted that the last request from their authorized representative, who is their attorney of record, is for a 60-day extension and recommended providing the 60-day extension to avoid any further issues. He expressed concern about who is authorized to negotiate the extension.

Commissioner Eckian stated for the record that, according to Paragraph 5 and 7 of the contract, that the only basis for requesting an extension is failure to achieve regulatory approvals. He stated that

the regulatory approvals were obtained on December 18th. He added that the Commission should object to any extension based on Paragraphs 5 and 7 because that was made moot by the Lake County Commission on December 18th. He stated that similarly no extension should be granted because of the financing indications Mr. Gonzalez put in the letter of December 26th because it is a cash offer and is not the City's business.

A motion was made by Commissioner Eckian, seconded by Commissioner Holland, for the City of Eustis as the Seller to grant Sorrento Solar Farms a 60-day extension from the January 4th original deadline, contingent upon the Buyer - Sorrento Solar Farms - releasing the \$50,000 escrow funds to the City to be deposited in the City's General Fund and contingent upon explicit wording that this is the final extension and that both parties are agreeing no more extensions will be allowed.

Mr. Schroth recommended that the motion include that the deposit would be credited to the purchase price. Commissioner Eckian amended the motion, seconded by Commissioner Holland, that should the buyer close, the \$50,000 that has been transferred to the General Fund will be credited to the purchase price. The motion as amended passed on the following vote:

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

XIV. FUTURE AGENDA ITEMS

Commissioner Eckian requested to have the following issues be included in the strategic planning sessions: 1) discussion on a methodology for the Commission to learn the functionality of all the City's departments so that they are aware of what functions may be affected by departmental budget cuts; 2) discussion on a methodology for holding the Commission and staff accountable noting his desire to evaluate the City's progress every three or four months rather than annually; and 3) for the Finance Department to provide a separate report on the revenues obtained from extra penny sales tax, how those funds have been spent and the impact on the City if the extra penny is not approved.

Mayor Muenzmay noted that there are also several gas taxes that are up for renewal and may not be so the Commission needs similar information on those taxes.

Mr. Berg recommended that an extended workshop be scheduled for January 31st for planning purposes and that additional workshops be scheduled. He distributed to the Commission a packet of information for those workshops noting the need to discuss budget issues and update the strategic plan.

CONSENSUS: *It was a consensus of the Commission to schedule a workshop for January 31st to begin at 4 p.m. and an all day workshop for Saturday, February 9th from 9 a.m. to 4 p.m. The location for the workshops would be announced at a later date.*

Mr. Berg noted he would also provide to the Commission a questionnaire to be used for budgeting purposes.

XV. COMMENTS

City Commission

Commissioner Holland thanked his family for attending and stated he was looking forward to another four years on the Commission.

Vice Mayor Bob thanked her spouse for attending and commented on the loss in revenue to the State due to internet sales.

Commissioner LeHeup-Smith recognized her family and expressed her appreciation for being back on the Commission.

Commissioner Eckian thanked the public for allowing him to serve and invited citizens to contact him with their concerns. He provided his home phone number - 357-1917. He commented on the need to represent the interests of all the residents whether or not they attend the Commission meetings or watch the meetings online.

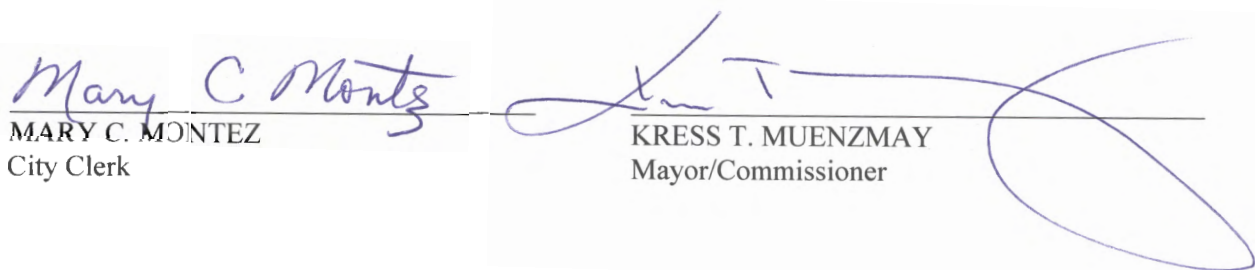
Mayor Muenzmay noted there would be a reception following the meeting. He thanked Chief Cobb, the Eustis Police Department and the Lake County Sheriff's Office for their efforts during the recent shooting situation. He reported on his, Mr. Berg and Commissioner Eckian attendance at the Lake County Commission and the presentation by the cities regarding creation of a Golden Triangle Fire District. He welcomed the new Commissioners and congratulated Vice Mayor Bob.

City Manager

Mr. Berg reported on the remodeling of the former Chamber of Commerce building and that it has been leased to the Lake Eustis Museum of Art. He noted that their grand opening will be held January 18th, 6 p.m. to 8 p.m. He also noted the opportunity he had to see various historic figure performances that are featured at Williamsburg. He commented on the possibility of having a presentation of George Washington at the GeorgeFest celebration in either 2013 or 2014. He estimated the cost at approximately \$1500 plus expenses. He indicated he would work with the Chamber of Commerce on that project. He expressed thanks to retiring Commissioners Bill Ferree and Sue Hooper. He informed the Commission that the next agenda would include the Commission assignments for the various boards and committees.

City Attorney - None

XVI. ADJOURNMENT - 8:59 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.

City of Eustis, Florida

January 8, 2013



OATH OF OFFICE

I, ***Albert G. Eckian***, do solemnly swear that I will support, protect and defend the Constitution and Government of the United States and of the State of Florida; that I am duly qualified to hold office under the Constitution and Laws of the State of Florida and the Charter of the City of Eustis; and that I will faithfully perform all the duties of the office of City Commissioner, Seat #5, on which I am now about to enter, so help me God.



Albert G. Eckian, City Commissioner, Seat #5

*Sworn to and subscribed before me this 8th day of January, 2013,
by Albert G. Eckian, who is personally known to me.*

Mary C. Montez, City Clerk of Eustis, Florida
Notary Public, State of Florida

City of Eustis, Florida

January 8, 2013



OATH OF OFFICE

I, **Karen LeHeup-Smith**, do solemnly swear that I will support, protect and defend the Constitution and Government of the United States and of the State of Florida; that I am duly qualified to hold office under the Constitution and Laws of the State of Florida and the Charter of the City of Eustis; and that I will faithfully perform all the duties of the office of City Commissioner, Seat #4, on which I am now about to enter, so help me God.



Karen LeHeup-Smith
Karen LeHeup-Smith, City Commissioner, Seat #4

*Sworn to and subscribed before me this 8th day of January, 2013,
by Karen LeHeup-Smith, who is personally known to me.*

Mary C. Montez
Mary C. Montez, City Clerk of Eustis, Florida
Notary Public, State of Florida

City of Eustis, Florida

January 8, 2013



OATH OF OFFICE

I, **Michael L. Holland**, do solemnly swear that I will support, protect and defend the Constitution and Government of the United States and of the State of Florida; that I am duly qualified to hold office under the Constitution and Laws of the State of Florida and the Charter of the City of Eustis; and that I will faithfully perform all the duties of the office of City Commissioner, Seat #3, on which I am now about to enter, so help me God.



Michael L. Holland

Michael L. Holland, City Commissioner, Seat #3

*Sworn to and subscribed before me this 8th day of January, 2013,
by Michael L. Holland, who is personally known to me.*

Mary C. Montez

Mary C. Montez, City Clerk of Eustis, Florida
Notary Public, State of Florida