

Elected Officials Present:

Larry Bustle, Mayor
Mary Lancaster, Vice Mayor
Eric Ball, Commissioner
Tamara Cornwell, Commissioner
Tambra Varnadore, Commissioner
Brian Williams, Commissioner

Staff and Others Present:

James R. Freeman, City Clerk
Chris Lukowiak, Public Works Director
Chief Garry Lowe
Tanya Lukowiak, CRA Executive Director
Michele Hall, City Attorney
Ric Hartman, Planning Supervisor/Zoning Administrator
Frank Woodard, Deputy Public Works Director
Diane Ponder, Deputy Clerk-Administration

Mayor Bustle called the meeting to order at 5:04 pm. A moment of silence for military personnel in harm's way was observed, followed by the Pledge of Allegiance.

1. AGENDA APPROVAL

MOTION: Ms. Varnadore moved, Mrs. Lancaster seconded and motion carried 5-0 to approve the April 24, 2006 5:00 PM agenda, with item #4 removed.

2. MANATEE PLAYERS

Mayor Bustle opened the meeting with a statement concerning the City's efforts to bring Manatee Players to Palmetto, a copy of which is attached hereto and made a part of these minutes. He stated he had spoken individually with the Commissioners concerning a new proposal he felt the City could support. Mayor Bustle presented a new proposal, followed by Commission's comments.

Mayor Bustle opened the meeting to public comment. Ann Marshall commented on the lack of parking for the facility. Eileen Hoffner spoke in support of the proposed theatre. Alice Myers spoke of supporting Manatee Players, but also cited parking as an issue to be considered.

Mayor Bustle stated that in principal the proposal is a counter offer to Manatee Players as a commitment from the City of Palmetto.

MOTION: Mr. Williams made a motion, taken verbatim from Mayor Bustle's statement, Mr. Ball seconded the motion as follows:

- 1. Palmetto could provide the building site, leased to the Players for \$1 per year for 30 years. At any time during the lease term that the below described loan would be paid in full, the Players would have the option to purchase the land from the City.**
- 2. Manatee Players would scale down their building to a maximum construction cost of \$5 million, reducing both the economic burden and the cost of operation and maintenance.**

3. **Palmetto would loan the Players \$2 million at the City's prevailing interest rate at the signing of the agreement. The loan would be disbursed by the payment of 50% of each monthly construction invoice. The Players would begin to pay back the City one year after issuance of a CO, with monthly installments equal to the City's loan payments under a 15 year amortization schedule.**
4. **Manatee Players would provide the City with a \$3 million surety bond, providing for the completion of construction.**

Motion on the floor carried 4-1. Mrs. Lancaster voted no.

Attorney Barnabey addressed Commission thanked the City for their efforts involving the proposal to bring Manatee Players to Palmetto. He informed Commission the size of the building has been considered and in the short term the seating will be reduced by completing only the first floor of the building, using the second floor for storage. He opined the terms of the new agreement are doable, but if funds are raised by the August date, he stated Manatee Players hope to construct the facility as presented.

Ron Allen, NDC Construction and project manager for the project, explained the payment and performance bond that will be obtained for the entire amount of the project. Attorney Hall discussed the difference between this type of bond and a surety bond; the City would be at risk if something other than the fault of the contractor and subcontractor happened and the building was not completed.

CRA Board Chairman Scott Maloney spoke on behalf of the Board, stating the CRA is committed to all projects that are going to revitalize the City. He opined the latest proposal approved by the Commission is acceptable, the Board will accept the proposal. He further stated his belief there will be sufficient funds to support other projects to revitalize the CRA district.

Ms. Cornwell stated that for her to approve the Agreement the City must be given a first right of refusal in the event Manatee Players wishes to lease the completed building.

CRA Executive Director Tanya Lukowiak confirmed the City still has the ability to purchase the land for the proposed theatre. If the land is purchased and the City is not prepared to move forward with a plan, the City may lease the property back to the current owner for \$2,000 per month until the City assumes control of the property.

Mayor Bustle thanked the Manatee Players' representatives attending the meeting. He reiterated the City's position in the negotiations, stating that regardless of the outcome of this issue, he will support Manatee Players.

Mr. Lukowiak discussed the Jackson Park land acquisition matter, seeking direction from Commission on a possible eminent domain taking for parcels needed to construct the retention pond. Mr. Lukowiak stated two property owners are willing to sell, but a third property owner is unwilling. It was consensus of Commission to allow the eminent domain tool because the property under discussion is vacant and landlocked.

Mr. Lukowiak informed Commission the demand for reuse water exceeds the supply and requested Commission consider restricting its use to one time per day from 6:00 pm through 10:00 pm. Commission discussed the topic, with Stormwater Manager Matt Bloom confirming there has never been a schedule for reuse. The public will be notified of the approved reuse schedule.

Commission approved the inclusion of North Manatee River Fire District's equipment in the scheduled auction.

Meeting adjourned at 6:20.

Minutes approved: May 15, 2006

A handwritten signature in black ink, appearing to read "James R. Freeman". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

James R. Freeman
City Clerk

At our last meeting, we made a variety of suggestions which would eliminate some of the obstacles we are facing in our efforts to bring the Manatee Players' new theater to downtown Palmetto. Neither the staff nor I received any responsive information from the Players. In an attempt to come up with a mutually acceptable agreement, I spoke with Commissioners, then contacted Mr. Barnabey with what I believed was a proposal that the City could support.

- The proposal provided that Palmetto would provide the building site, leased to the Players for \$1 per year for 30 years. At any time during the lease term that the below described loan would be paid in full, the Players would have the option to purchase the land from the City.
- The Manatee Players would scale down their building to a maximum construction cost of \$5 Million, reducing both the economic burden and the cost of operation and maintenance.
- Palmetto would loan the Players \$2 Million at the City's prevailing interest rate at the signing of the agreement. The loan would be disbursed by the payment of 50% of each monthly construction invoice. The Players would begin to pay back the City one year after issuance of a CO, with monthly installments equal to the City's loan payments under a 15 year amortization schedule.
- Manatee Players would provide the City with a \$3 Million surety bond, providing for the completion of construction.

Palmetto is aware of what appears to be a viable opportunity to construct the new theater in the City of Bradenton, and has been advised by the Players that a proposal to that end will be considered by the Bradenton City Council on Wednesday. The Players have also advised that they have received additional substantial pledges toward their construction to be utilized only if they build in Bradenton.

Both Staff and Elected Officials have spent a tremendous amount of time considering construction issues and various proposals brought forward over the last three months. Throughout the negotiation process, it has been Palmetto's intent to facilitate the construction of a new theater that will serve all of Manatee County, not to participate in a "bidding war" between the two sides of the River. Regardless of whether Manatee Players is prepared to make a final decision this evening, the Palmetto City Commission granted the Players this special meeting for the express purpose of obtaining a final vote on this issue.

In the event that the City votes not to continue its efforts to reach an agreement with Manatee Players at this time, Palmetto wholeheartedly supports the construction and operation of the theater in Bradenton.