Mayor Bustle called the meeting to order at 4:00 pm. A moment of silence was observed for our military personnel serving overseas, followed by the Pledge of Allegiance.

1. APPROVAL OF WORKSHOP AGENDA

MOTION: Commissioner Ball moved, Commissioner Lancaster seconded and motion passed unanimously to approve the November 20, 2006, 4:00 p.m. agenda, with a revision to the agenda to move the Discussion of Stormwater User Fees to Item 2; WiFi Presentation to Item 3; and, Capital Improvement Program to Item 4.

2. DISCUSSION: STORMWATER USER FEES (Andy Burnham, Mike Burton and Asc.)

Mr. Freeman introduced the item by saying that discussion over the past few weeks resulted in the four scenarios on tonight's agenda. City Commission had requested some different percentages to review than were initially presented. The proposals included a 100% increase in user fees with and without a rate cap for commercial customers; a 75% increase with and without a cap; a 50% increase with and without a cap; and, as requested by Commissioner Williams, a 125% increase with and without a cap. All scenarios are listed in the attached point paper which is made a part of the permanent record.

Staff is recommending a 100% increase in stormwater rates with no cap for commercial customers. Mr. Freeman suggests that once consensus is reached, the proposed ordinance would go to Commission for a first reading on December 4, 2006, a second reading and a public hearing on December 18, 2006, with the rates becoming effective on January 1, 2007.

Andy Burnham of Mike Burton and Associates walked through the spreadsheets of proposed rate increases and pointed out how each of the fees would affect subsequent year increases and how the caps would result in lost revenue. He also pointed out how a reduced user fee in 2007 would result in a shortfall with a need to cut operating costs, as well as continuing to supplement from the general fund.

Mr. Lukowiak said a rate increase of 125% would allow him to add the Vac Haul truck back into the CIP. Recently, when a problem arose, he had to wait a few days until the City could borrow one from the City of Bradenton.

Commissioner Varnadore said she would not approve a 125% rate increase. All figures will be skewed anyway until the 2008 adjustments are in.
Commission reached a consensus on a 100% rate increase with no cap and agreed to move forward with the ordinance.

Regarding mitigation credit, Mr. Burton pointed out that it applied only to the Operation and Maintenance (O & M) component of the stormwater fee, which is about 60% of the fee. The maximum would be about 60%.

Attorney Hall pointed out a change in the language in Section 29-208 from "shall" impose a nominal fee to "may" impose a nominal fee on the readiness-to-serve charge on property which has earned a 100% retention credit.

Regarding appeals for mitigation credits, Commissioner Williams said there should be a way of tracking the property to make sure that year-to-year it is still eligible for credit. Any new owners should come in and apply if they are going to develop property. Too many times, things fall between the cracks and he wants to make sure the property remains entitled to any credits it is given.

Commissioner Williams said that vacant land does impact the stormwater system and should be charged. Attorney Hall said that the Supreme Court ruled that vacant land cannot be charged stormwater fees. Mr. Burton said a readiness-to-serve fee may be allowable and he will come back to Commission with that finding.

In answer to Commissioner Lancaster’s question about Section 29-206, Attorney Hall said she will change the heading as it may be misleading. It actually does not refer to service charges but to stormwater fees.

Commissioner Ball asked that she also change the heading on Section 29-207 in case the City is ever able to charge fees on undeveloped property.

Commissioner Varnadore requested that the O & M component be defined in the ordinance to clarify the 100% credit is 100% of the O & M only.

Mr. Lukowiak said the new Trakit system could track properties with mitigation credits and set them up for a review every two years. It was agreed that this would be done at an administrative level and not be included in the ordinance.

Mayor Bustle said he recommended “heroic” efforts to let citizens know of the impending increase in stormwater fees. Mr. Freeman said per Florida Statutes, citizens will be notified through the utility bills and the Public Hearing on December 18, 2006, will be noticed. The Mayor asked that staff work with the North River News to get a special article in the paper.

3. WIFI PRESENTATION

Frank Hagy, Chief Information Officer, Florida League of Cities (FLC) and Glenn Sangiovanni, Vice President of MRI, gave a PowerPoint presentation on Municipal Wireless Systems. Mr. Hagy said the FLC has been working with MRI to provide wireless consulting services.

Mr. Sangiovanni (his biography and a copy of the PowerPoint presentation is attached and made a part of the permanent record) said that MRI specializes in Municipal Wireless Services, among other things. Municipal Wireless provides a wireless cloud across an entire city. It can be used by city workers, the community, businesses, and it helps close the digital divide. A laptop can be used anywhere in the city.

As the former Mayor of St. Cloud, Florida, he reported that St. Cloud was the first city in the country to provide 100% free internet service. Municipal wireless is more about economic development and community relations than IT. It enhances public safety and reduces the cost of delivering city services. Wireless can provide remote monitoring of trouble spots; cameras can video stream back to the public safety complex. It provides first responder communication and coordination allowing for real time back up for officers.
With Voice Over Internet Protocol (IP), which is a telephone system over the internet, many of the city cell phones could be eliminated which saved the City of St. Cloud thousands of dollars. The system provides so much in savings to the city that even with population expected to double in St. Cloud, the City will not have to hire new personnel.

The political and community goals are to: Enhance economic development, close the digital divide by creating free access as a public service, and to reduce the cost and enhance the quality of city services.

Over 70% of the households in St. Cloud have signed up for the service within the first eight months, so the goal of closing the digital divide is very real. The City provides free technical support 24/7. The savings that citizens realize can be turned back into the local economy. Free public workshops were held to educate the public on how to use the system.

The capital budget for the City of St. Cloud was $3.1 million which included the first year operating cost. The annual operational costs are $500,000 with an annual projected savings to the City of $640,000.

Mayor Bustle told Commissioners that he will provide them with a copy of the City of St. Cloud’s business plan.

4. DISCUSSION: CAPITAL IMPROVEMENT PROGRAM (C. Lukowiak)

Mr. Lukowiak told Commission that the Capital Improvement Plan (CIP) being presented to them was a five-year plan consisting of years 2007-2011. The presentation is attached to these minutes and made a part of the permanent record.

The CIP consists of eight elements: Transportation/Roads, Utilities, Storm Water/Drainage, Parks, Recreation & Open Space, School Concurrency, Buildings, Land Acquisition and Grant Funded Projects. The projects are sorted by: Annual Projects, Ongoing Projects and Proposed Additions.

Annual Projects

Mrs. Lancaster asked about the sidewalk repair/replacement at Jackson Park. She was concerned that the flooding issues there might harm the sidewalks and they would have to be redone. Mr. Lukowiak said the flooding was being addressed as a separate issue with a retention pond, and he assured her that the sidewalks would not be damaged and have to be replaced.

Mr. Lukowiak told Commissioners he will provide them with a book with a complete list of projects once they have been approved.

Commissioner Cornwell asked that the ASR project be moved to Grant Projects, as that is a matching grant from SWFWMD. Mrs. Varnadore asked when the ASR well might be built. Mr. Lukowiak introduced Mike Micheau of PBS & J who said that ASR construction could begin the latter part of Fiscal Year 2007 with the bulk of it being done in Fiscal Year 2008. He said in terms of cycle testing it could be operable in the latter part of FY 2008. During the testing cycle, which can be up to two years, it is essentially an operational facility. The bulk of the financing will come out of FY 2008.

The Waste Water Treatment Plant upgrades are part of an annual project because throughout the year there are problems with lift stations. Other recurring projects included the Palmetto Area Reuse System for the installation of reuse lines and the I & I Program for the relining of sewer lines. The upgrades to the Historic Park is also a recurring program, and regarding that program, Mr. Lukowiak said when the CIP comes back for financing there will be a list of specific projects at the Park. Commissioner Cornwell remarked that she would like to see a list of grants that the park has applied for to help fund some of the projects.

Mr. Lukowiak said between the budgets for the I & I Program and Sewer Line R & R there should be enough to fund problems they have identified with money left over for any unexpected repairs.

Commissioner Lancaster asked Mr. Lukowiak why the road next to Alvarez was not on the CIP for repair as she has brought that to his attention several times. He said Public Works tries to do the streets that
carry five hundred cars per day as opposed to those that carry fifty. Mrs. Lancaster said this street is well traveled and asked him to please address it if possible. After discussion, Mr. Lukowiak said he finds that leftover money from last year is already earmarked to repair that road.

Ongoing Projects 2007

The Traffic Study, Jackson Park Drainage, 301 Future Utility Expansion, 17th Street Utility Relocation, City Facility Security, City Center, Public Works Break Room, Total Maximum Daily Load (TMDL) Program, Police Department Pond, Lift Station Upgrades, and Regional Reuse System were listed as the ongoing projects.

The Jackson Park Drainage project will include building a retention pond and Attorney Mickey Palmer has been asked to look into the quick-take process to obtain the property for the pond so that the City can finally get started on this project. Commissioner Williams commented that 90% of the water contributing to the flooding of Jackson Park was coming from the county and the City needs to get the county financially involved in this project. Mr. Lukowiak said the county has agreed to a cost sharing in theory, and he is preparing a cost agreement. Michele Hall said the county continues to deny that county water is a contributing factor.

The 301 Future Utility Expansion is to bring utilities out to Sanctuary Cove and that whole general area. In answer to Mrs. Varnadore’s question, Mr. Lukowiak said that anywhere you see future utilities expansion that cost can come out of impact fees. There is also a Joint Participation Agreement with the developer of this property towards 25% of the cost.

Commissioner Williams complimented Sgt. Tyler and Ron Koper on a great job for a very complete and thorough report on the City Facility Security.

The Regional Reuse System (MARS) is a joint project with the City of Bradenton and Manatee County which allows for the sharing of reclaimed water as needed. A county funded study is underway. Mr. Lukowiak said he attended a meeting with the Mayor on this project this morning. The Mayor said all participants in the meeting, which included County Administrator Ernie Padgett and Mayor Poston, were sensitive to the needs of the City of Palmetto, and no one talked about charging anyone for anything except for the cost of doing the system. He sees it as a win-win-win project. It helps Bradenton because by 2010 they will go over the amount allowable by DEP to discharge into the Manatee River. The City of Palmetto can take some of that water that it needs for reuse in the dry months. Commissioner Varnadore asked if we would need this after the ASR well becomes operational and Mayor Bustle said we don’t have to take the water if we don’t need it. Mr. Lukowiak said when the city has excess if we can get it out to the agricultural users in the county it would eliminate dumping into the bay.

Mrs. Lancaster asked if the ability to stop participating, as well as not having to pay, would be in writing. Mr. Lukowiak told her it would be part of the interlocal agreement. Mrs. Cornwell was concerned about maintenance and said it was important to know who would be responsible. After the current Commission is gone, there needs to be a paper trail, legal paperwork, which covers the city for a long time to come. Mr. Lukowiak said that a lot of this will be paid through grants from SWFWMD. He said JEA can do a feasibility study and long before the time to participate is here, we will have everything in place to protect the City.

Commissioner Williams added his concern and said the city wants and needs something very solid in the agreement.

Proposed Additions 2007

It was decided to continue this portion of the CIP to the 7:00 p.m. meeting. The meeting was adjourned at 6:00 p.m.

Minutes Approved: December 18, 2006

James R. Freeman, City Clerk