

Palmetto City Commission  
March 23, 2009 4:30 p.m.

Elected Officials Present:

Shirley Bryant, Mayor  
Brian Williams, Vice Mayor  
Tamara Cornwell, Commissioner  
Mary Lancaster, Commissioner  
Tambra Varnadore, Commissioner  
Alan Zirkelbach, Commissioner

Staff Present:

Mark Barnebey, City Attorney  
James R. Freeman, City Clerk  
Garry Lowe, Chief of Police  
Cheryl Miller, Senior Accounting Analyst  
Karen Simpson, Deputy Clerk-Finance  
Allen Tusing, Public Works Director  
Frank Woodard, Deputy Director of Project Management & Engineering  
Diane Ponder, Deputy Clerk-Administration

Mayor Bryant called the meeting to order at 4:30 pm. A moment of silence was observed, followed by the Pledge of Allegiance.

Attorney Barnebey stated that he has notified counsel for the Regatta Pointe Sublease topic that the item would be heard at 5:00 pm. Mayor Bryant suggested hearing the item later in the meeting to allow for counsel's participation if he attended the meeting. Commission concurred.

1. DISCUSSION: CAPITALIZATION POLICY

Mr. Freeman stated that as part of last year's audit, the auditor recommended the City should consider amending the policy to increase the historical threshold of \$500 for capital assets. This year's audit included the same recommendation as a follow-up comment. Mr. Freeman stated the proposed policy increases the \$500 threshold to \$2,000 for equipment and vehicles. Other categories, such as land, buildings, building improvements, infrastructure and other intangible assets, etc. are increased to \$20,000; these assets are capitalized and then depreciated over a typical seven to twenty year period.

Mr. Freeman discussed the new scanning equipment that will be purchased (budgeted item) for the physical inventory of City Hall, CRA and the Police Department this year, and the Public Works department next year. Ms. Miller discussed the equipment that had been chosen and the physical tags that will be placed on equipment. Mrs. Simpson confirmed the inventory schedule is a three year rotation.

Mrs. Simpson stated that the \$2,000 threshold was arrived at based on GFOA standards of a minimum of \$5,000 for items with a useful life greater than two years, and the review of like-sized municipalities throughout the state. The proposed threshold is a medium figure in the minimum ranges reviewed.

Commission made no changes to the proposed policy. The Capitalization Policy will be provided to City Commission for adoption at a future meeting.

Mayor Bryant recessed the meeting at 4:50 pm.

Mayor Bryant reconvened the meeting at 5:00 pm.

## 2. REGATTA POINTE SUBLEASE

Attorney Barnebey discussed the history of the amendment of the sublease between the City and VanDerNoord Partners for the Regatta Pointe Marina. The amendment mainly addresses the following areas:

- Clarifies the legal description to include the breakwaters, which provides consistency with the City's Amended and Restated and Modified Submerged Land Lease with the state
- Clarifies the sub-lessee's responsibility for the annual submerged land lease payment
- Allows the 2nd and 3rd floors of the facility to be used as a banquet hall; a first floor restaurant has been opened

Commissioner Varnadore requested a quick overview of the Amended and Restated and Modified Submerged Land Lease, as it pertains to the schedules included in the original lease and the change in the legal description by the addition of the breakwaters, the only change from the original lease. Commissioner Zirkelbach stated he will recuse himself because his father-in-law owns the marina, even though he takes no financial benefit from the facility, and he then gave a history of the original submerged land lease and its renewal. He stated the amendment of the legal description to reflect the addition of the breakwaters is the only change from the original lease. He explained that the optional parcel listed on Schedule 3 attached to the original lease is the City parking lot (originally slated for condominiums in the master plan).

Commissioner Varnadore called attention to the Amendment to Agreement of Sublease dated April 7, 2006 and the fact that staff had confirmed the last whereas clause reflecting Commission approval of the banquet hall use on October 17, 2005 should actually be the date of November 7, 2005. She requested that the Second Amendment to the Agreement of Sublease state the corrected date, as well as the book and page recording information of the amendment dated April 7, 2006.

Attorney Barnebey gave a history of the 2005 approval of the temporary six-month use of the facility as a banquet hall. Attorney Barnebey opined that because the first amendment authorized the use of the facility as a banquet hall, that use should also be addressed in the proposed second amendment. Commissioner Zirkelbach opined that nothing in the original lease precludes any other use, other than the stipulated restaurant. Attorney Barnebey did not disagree with Commissioner Zirkelbach's statement, as the restaurant is the primary use at the facility, and while the restaurant was not in operation, the banquet hall use had to be addressed in some fashion. Commissioner Zirkelbach stated he didn't want a requirement that the use of the second and third floor of the facility would be limited to only that of a banquet hall. Attorney Barnebey confirmed that the use as a banquet hall is not mandatory.

Commissioner Williams referred to Schedule A (restaurant) and Schedule E (uplands) and the fact parking can become an issue and could become a conflict with other existing businesses in the area if adequate parking is not established at some point in time. Commissioner Williams proposed language that would allow Mr. VanDerNoord a year from date of execution of the amendment to establish the parking he will need; the City has to help establish parking in the area. Commissioner Varnadore suggested the City should look at creating a parking policy that should be consulted before issuing licenses or CO's. Mayor Bryant stated she has met with the VanDerNoords and they are diligently working to obtain additional parking in the area and the City is assisting when possible. Commissioner Zirkelbach stated he would adamantly oppose required parking in the downtown core. He stated that at the CRA Board meeting he would present a parking plan that adds approximately 130 spaces, utilizing street parking and the CBI property parking.


Mr. Williams spoke of the City's collection of \$1,000 per year as rent for the marina. He commented on the renewal of the lease and the fact the City never negotiated an increase in rent. He acknowledged the City receives \$99,000 in ad valorem taxes from the facility. Commissioner Zirkelbach opined that he supports any business that consistently improves City property. Commissioner Williams suggested that the City should consider a rent increase at the next renewal.

Commission briefly discussed the 200 seat requirement for the restaurant, as stipulated in the original lease. Attorney Barnebey stated he will clarify if the banquet hall can count toward the minimum seating requirement and, if so, place appropriate language in the amendment.

The amendment will be placed on a Commission meeting agenda for approval in the near future.

Meeting adjourned at 5:40 pm.

Minutes approved: April 6, 2009



James R. Freeman  
City Clerk



**APPOINTED OFFICERS (continued)**

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

**DISCLOSURE OF LOCAL OFFICER'S INTEREST**

I, Alan Zurkelbach, hereby disclose that on March 23, 2009:

(a) A measure came or will come before my agency which (check one)

inured to my special private gain or loss;

inured to the special gain or loss of my business associate, \_\_\_\_\_;

inured to the special gain or loss of my relative, father-in-law, Harry Van der Noord;

inured to the special gain or loss of \_\_\_\_\_, by whom I am retained; or

inured to the special gain or loss of \_\_\_\_\_, which is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

\_\_\_\_\_  
Date Filed

  
Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.