

**AGENDA MINUTES  
CITY COUNCIL  
CITY OF ARCADIA  
TUESDAY, JANUARY 2, 2018  
6:00 P.M.**

*The following minutes reflect action items of the City Council of the City of Arcadia. For a verbatim copy of the minutes, you may contact City Administration to obtain a copy of the recorded meeting.*

**INVOCATION, PLEDGE CALL TO ORDER AND ROLL CALL**

Councilmember Alexander gave the invocation which was followed by the pledge of allegiance. The Mayor called the meeting to order at approximately 6:00 p.m. and the following members and staff were present:

**Arcadia City Council**

Mayor Judy Wertz-Strickland  
Deputy Mayor Jaccarie D. Simons  
Councilmember Keith Keene

Councilmember Jerry B. Alexander  
Councilmember Robert W. Heine, Jr.

**Arcadia City Staff**

City Administrator Terry Stewart  
City Clerk Penny Delaney  
City Attorney T.J. Wohl

Code Enforcement Officer Carl McQuay  
Finance Director Beth Carsten  
Marshal Matt Anderson

**PRESENTATIONS**

**Agenda Item 1 – Proclamation – Martin Luther King, Jr. Day**

Mayor Wertz-Strickland presented the proclamation regarding Martin Luther King, Jr. Day to Deputy Mayor Simons on behalf of the NAACP. Deputy Mayor Simons spoke of Dr. Martin Luther King, Jr.'s efforts of bringing people together and he thanked the Council for the proclamation.

**CONSENT AGENDA**

**Agenda Item 2 – Special Event Permit – Annual Martin Luther King Jr. Parade/Bizarre - NAACP**

**Agenda Item 3 – Special Event Permit – Smith Brown Groundbreaking Ceremony**

Councilmember Keene made a motion to approve the Consent Agenda Items 2 and 3 and Councilmember Heine seconded the motion. No discussion followed and it was unanimously, 5/0, approved.

**ACTION ITEMS****Agenda Item 4 – Specific Authorization 29 for WWTP and Collection System Design Revisions and Bid Services**

City Administrator Stewart explained this was related to the wastewater facility plan that had been presented to Council and he advised the first phase was approximately Five Million and 00/100 Dollars (\$5,000,000.00) and the project would take approximately six (6) to seven (7) years. He advised this was the authorization for the engineering services required to do the design and the bid package, etc. He further advised this was not about construction, but stated that documents needed to be sent to the State of Florida SRF (State Revolving Fund) for eligibility for the loan or grant and also to do the bid package design for the first phase. He stated it was the hope to begin construction on the first piece of it in April or May. Councilmember Heine made a motion to approve Specific Authorization 29 for Hazen and Sawyer to proceed with providing assistance with FDEP loan/grant application, updating plans and specifications for bidding and providing bid services for Phase 1 of the utilities rehabilitation project in an amount not to exceed One Hundred Ten Thousand and 00/100 Dollars (\$110,000.00) and Deputy Mayor Simons seconded the motion. No discussion followed and it was unanimously, 5/0, approved.

**Agenda Item 5 - Lien Reduction for Property Located at 911 Bond Street**

Code Enforcement Officer McQuay advised that he had placed a lien on the property on April 8, 2016, had contracted a contractor to correct the issues, and afterward a new owner contacted him to advise he had just purchased the property on the courthouse steps. Mr. McQuay stated that the total amount of his lien prior to having it corrected was Two Thousand Four Hundred Twenty-Two and 01/100 Dollars (\$2,422.01) and after adding the fee for correction of One Hundred Fifty and 00/100 Dollars (\$150.00), the new total was Two Thousand Five Hundred Seventy-Two and 01/100 Dollars (\$2,572.01). City Administrator Stewart stated that the recommended reduction of the lien by fifty percent (50%) with the correction fee is how the amount of One Thousand Three Hundred Sixty-One and 00/100 Dollars (\$1,361.00) was reached. He informed Council that the new owner had requested a previous lien reduction before, Council had approved it, the amount was paid and the lien was cleared. Deputy Mayor Simons made a motion to approve the lien reduction on 911 Bond Street by fifty percent (50%) for a total of One Thousand Three Hundred Sixty-One and 00/100 Dollars (\$1,361.00) if paid within ninety (90) days and Councilmember Keen seconded the motion. Councilmember Heine asked if there was a limit on the number of lien reductions a property owner can get and Mr. Stewart stated that it was strictly up to the Council. After further discussion of an ordinance that the City Attorney was working on regarding lien reductions, it was unanimously, 5/0, approved.

**Agenda Item 6 – Change Order to the 10-03-17 Blanket Purchase Order for Debris Removal Charges**

Finance Director Carsten stated on October 3, 2017, Council approved a blanket order for debris removal and at the time a definite amount was not known so it was done for Two Hundred

Fifty Thousand and 00/100 Dollars (\$250,000.00). She stated that to date the City had spent Two Hundred Forty-Three Thousand Forty-Four and 50/100 Dollars (\$243,044.50) and had received a bill for another Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00). Finance Director Carsten stated that the City may receive another bill, but she had not received conformation regarding such. City Administrator Stewart stated this provides greater assurances for FEMA that the City has audited its records. Councilmember Heine made a motion to approve a change order to increase the blanket purchase order for Crowder Gulf for debris removal charges from Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00) to Five Hundred Thousand and 00/100 Dollars (\$500,000.00) and Deputy Mayor Simons seconded the motion. Regarding Agenda Items 6 and 7, City Administrator Stewart advised that reimbursements had not been received from FEMA because the City has not had these items to submit, but they are hoping to receive payment by April. He further advised that while some of the reimbursements will be one hundred percent (100%), some will be ninety percent (90%) and some will be seventy-five percent (75%). No discussion followed and it was unanimously, 5/0, approved.

**Agenda Item 7 – Change Order to the 10-03-17 Blanket Purchase Order for Debris Removal Monitoring Charges**

Finance Director Carsten stated this item goes along with the previously discussed item, and originally the City had done a blanket purchase order for the debris monitoring services, Landfall Strategies, for One Hundred Thousand and 00/100 Dollars (\$100,000.00) and she asked for it to be increased to One Hundred Thirty Thousand and 00/100 Dollars (\$130,000.00). She advised that she had received confirmation from Landfall Strategies that the last bit of invoices will be for a total of One Hundred Thirty Thousand and 00/100 Dollars (\$130,000.00). Councilmember Keene made a motion to approve a change order to increase the blanket purchase order for Landfall Strategies for debris removal monitoring charges from One Hundred Thousand and 00/100 Dollars (\$100,000.00) to One Hundred Thirty Thousand and 00/100 Dollars (\$130,000.00) and Deputy Mayor Simons seconded the motion. Mayor Wertz-Strickland asked if the reimbursement would be one hundred percent (100%) and Finance Director Carsten advised that a portion would be ninety percent (90%) and a portion would be seventy-five percent (75%). No discussion followed and it was unanimously, 5/0, approved.

**Walk on Item – Ordinance No. 1033 – Request for a Small Scale Future Land Use Map Amendment for Parcel #25-37-24-0056-00X0-0050**

Councilmember Heine made a motion to approve Ordinance No. 1033 on second and final reading by title only. City Administrator Stewart advised that Council had dealt with this on a previous occasion and stated that the Elks Lodge wanted to put a fence on its property and through the permitting process, it became evident that there were two (2) separate zonings on the property and the underlying land use on one (1) parcel also needed to be changed which is why the Council had Ordinances 1033 and 1034 before them. He explained that Ordinance 1033 relates to changing the comprehensive land use for the parcel so when the rezoning is done, it will match the underlying land use. He advised that all surrounding property owners were notified as is required according to statute and it had gone through the appropriate hearing

through Planning and Zoning and now Council has the request to change the zoning of the underlying land use so the zoning can then be changed. There was no public comment on the matter. Having confirmed that Councilmember Heine had made the original motion, Councilmember Keene seconded the motion. The City Clerk then read Ordinance 1033 by title only. City Administrator Stewart explained that these ordinances were appropriately advertised as is required by state statute, but an error was made and it was not placed on the agenda. City Attorney Wohl confirmed such and stated that there was no actual law that requires any topic that the Council addresses to be on an agenda and it does not require an agenda to be published. There was no public comment. No discussion followed and it was unanimously, 5/0, approved. City Administrator Stewart stated that the same thing applied for the next two (2) ordinances as well.

**Walk on Item – Ordinance No. 1034 – Request to Rezone Parcel # 25-37-24-0056-00X0-0050**

Councilmember Keene made a motion to approve Ordinance No. 1034 on second and final reading and Councilmember Heine seconded the motion. The City Clerk then read Ordinance 1034 by title only. There was no public comment. No discussion followed and it was unanimously, 5/0, approved.

**Walk On Item – Ordinance 1032 – Request to Rezone Parcel #s 31-37-25-0016-1010-0010, 31-37-25-0016-1020-0000 and 31-37-25-0016-2010-0010**

Jennifer Codo-Salisbury of Central Florida Regional Planning Council presented a power point regarding Ordinance 1032 which is a rezoning of three (3) parcels of land of approximately thirteen and a half (13½) acres located between 15<sup>th</sup> Avenue and 17<sup>th</sup> Avenue. She advised the owner of the property was Calvary Baptist Church, the existing future land use was Mixed Use Business and Business and the existing zoning was Planned Unit Development (PUD) and B-1A (Commercial). Ms. Codo-Salisbury explained this would be a rezoning to B-3 which is consistent with the mixed future land use and business future land use and would allow for commercial uses as the City looks to the future. She reviewed an aerial map of the property and stated the land use was consistent with the proposed zoning and the levels of service for water, waste water, solid waste and transportation are all maintained when looking at future development of the property. Deputy Mayor Simons made a motion to approve Ordinance No. 1032 on second and final reading and Councilmember Keene seconded the motion. The City Clerk then read Ordinance 1032 by title only. There was no public comment. No discussion followed and it was unanimously, 5/0, approved.

**COMMENTS FROM DEPARTMENTS**

Marshal Anderson provided the Arcadia Police Department monthly report for the month of December and stated there had been ten thousand one hundred eight (10,108) complaints for the total year and pointed out there had not been over nine thousand (9,000) complaints for the past five (5) years. He stated he was there to address any concerns the Council or the general public may have and at that time there were none. Marshal Anderson advised the two (2) new

officers were coming along well and would start attending the academy next Monday and would be doing so for approximately six (6) months. Councilmember Heine asked if he had received any of the new cars and Marshal Anderson advised he had not, but had originally been told it would be toward the end of the month.

City Attorney Wohl advised that after speaking with Code Enforcement Officer McQuay and City Administrator Stewart regarding antiquated ordinances, Council may be dealing with a bit of ordinance revision in 2018.

City Administrator Stewart stated he had a request from County Administrator Hines regarding RSVPs from the Council related to the ribbon cutting ceremony for Fire Station No. 1 scheduled for Friday, January 12, 2018. He then referenced a letter provided to the Council from the Historical Preservation Commission and stated that with Council's permission, he would place it on the agenda for discussion at the next meeting.

City Administrator Stewart stated that he had already spoken with each Council Member individually regarding the next item and further stated that he was bringing it to the forum tonight in the interest of keeping the public informed about what was going on within the City. He advised this was an issue related to finances within the City's utility billing area and it related to utility rates. He pointed out that no one was overcharged, but instead, they were undercharged. He referred to a rate study performed approximately five (5) years ago and at the time, rates had not been changed for approximately fifteen (15) to twenty (20) years and the utility system was financially in disarray and underfunded. He stated that the City had not increased rates for that period of time, there was a need for a significant additional increase and afterward it was recommended that another five percent (5%) be charged and then another four percent (4%) and then three percent (3%) in ensuing years. He further stated that the City Council settled on a three percent (3%) per year automatic increase from that point forward. Going back approximately a year and a half or so ago, Council approved an additional rate study of which has been received.

Mr. Stewart explained there are two (2) components of the utility rates: 1) the base rate which makes up approximately seventy-five percent (75%) of revenue the City receives and 2) varying rates depending on the total amount of usage. He further explained that each time, following the initial study and the first year after that, all the rates were implemented in the computer system appropriately. He stated it was the responsibility of the utility billing supervisor to do such and that person had been provided training the first year with the appropriate trainer and it was done correctly. Mr. Stewart advised that it appears that what happened in the ensuing years, over the last three and a half (3½) to four (4) years, as the rates were increased on an annual basis by the three percent (3%) amount that the Council had settled on, the changes were made into the system so that the base rate change was appropriately made with the three percent (3%), but unfortunately changes were never made to the varying gallonage use rates above the base amount. So, he explained, essentially what they have today is the same rates for those that existed three (3) years ago; they had not been updated in three (3) years. He stated that no one was overcharged, but the City lost out on nearly Five Hundred Thousand and 00/100 Dollars (\$500,000.00) in revenue. Mr. Stewart explained the employee was no longer

employed with the City and sometimes there are mistakes made that are severe enough that it warrants an action of that nature.

To explain how it was discovered, he stated that the old system for utility billing did not have a process built in that would allow testing of the entry of the new rates to ensure that they were correct. He explained that the current system that the City has with the new FATHOM billing program actually has a test platform that the new rates are implemented and it is run for a one (1) or two (2) month period to ensure that everything comes out correct. He informed Council that the Finance Director has already worked to ensure that the new system will provide the information necessary.

Regarding the actual fiscal impact on the system and how to move forward, City Administrator Stewart stated the City would either have to seek a grant or a loan to help cover it. He advised that when this was discovered, he was concerned about the information that had recently been provided to Council regarding the most current rate study and the recommendation that came out of such which was with the current financial status of the system that continuing the rate of three percent (3%) per year would make sense. He explained that the issue was discovered while doing data dumps and audits of what was currently in the system versus what FATHOM showed within their system and there was a discrepancy. Mr. Stewart further explained that he asked the rate consultant how this would affect the City's rates and was advised that there would be no impact because they used the actual revenue that is being collected; it is a revenue sufficiency analysis. He stated that even though the City lost half a million dollars in revenue, it is in a fairly decent financial position and because they used the actual revenue to do the analysis, he did not recommend making any changes to the recommendation. Mr. Stewart advised Council they had not yet officially received those for approval; a preliminary presentation had been presented. He stated he was looking at the second week in January or the first week in February to bring the water and sewer rate study and the solid waste rate study before Council for final approval.

City Administrator Stewart stated that the rates that are currently being charged for the variable rates are not those that Council approved. He stated he had not given instruction for the City Finance Officer to implement the rates as they should have been; if done, they would have a situation where a fairly significant increase from three (3) years worth of time. Because this was not an error on the part of the public, but instead it was an error on the part of the City, he recommended leaving the rates where they are and do the increases from this point because the revenue sufficiency has indicated that it is healthy. He stated that the City's current rates were providing a sufficient revenue stream and the City can recover from this without major irretrievable impact and can move forward, but it will require an action on the Council's part. City Attorney Wohl recommended it be done by a resolution and City Administrator Stewart recommended a recommendation be brought back to Council at the second meeting in January to define what the rate specifically should be. He stated that there was an anomaly within the rate structure which is that the very highest rate tier somehow was not half of what it should have been in 2013. He asked if there were any questions and there were none. He stated that he did take one (1) other action which was a reprimand. He stated he felt the City would come out on the other side of this okay, but frankly it was embarrassing and it was not the kind of thing that

should be happening. He asked if Council was in agreement with placing the correction of the rates at the lower amount that the City has been charging on the next agenda and it was the general consensus of the Council to do so. Councilmember Keene stated he was glad the City was in the spot where they could go with the minimum and continue to move forward and he appreciated the honesty and transparency was very much appreciated. He also stated that he agreed with what City Administrator Stewart had outlined. Mayor Wertz-Strickland was in agreement as well and stated it may not have been discovered if the City had not signed on with FATHOM. Mr. Stewart made it clear that while the increases had been made for this year, next year when it comes time for the rates to be reviewed, the three (3%) per year that the Council previously put in place will continue. Councilmember Heine appreciated the fact that everyone on the Council did not feel it needed to be recuperated and Mr. Stewart stated that it had been given thoughtful consideration and a decision was made based upon all the factors. Mayor Wertz-Strickland asked if the general public had any comment and Tim Twohig, a County resident, asked if this would affect the replacement of the water meters and Mr. Stewart replied that it would not.

### PUBLIC

Anthony Gulla, a City resident, inquired as to whether the City would ever get another internet service provider; he expressed that he felt the link to FATHOM was odd; and he addressed the procedure used for filling in the potholes. Mr. Stewart explained the current procedure used for filling potholes; advised that staff had looked into internet options and while Centurylink had increased the speed, there is a type of fiber that will be available soon which will increase the fiber speeds of one hundred (100) up and one hundred (100) down.

### MAYOR AND COUNCIL REPORTS

None

### ADJOURN

Councilmember Alexander made a motion to adjourn and Councilmember Heine seconded the motion. No discussion followed and it was unanimously, 5/0, approved. Having no further business at this time, the meeting was adjourned at approximately 7:25 P.M.

ADOPTED THIS 16<sup>th</sup> DAY OF January, 2018.

By:

*Judy Wertz-Strickland*  
 Judy Wertz-Strickland, Mayor

ATTEST:

*Penny Delaney*  
 Penny Delaney, City Clerk

