

**MINUTES
CITY COUNCIL
CITY OF ARCADIA
TUESDAY, JULY 3, 2012
6:00 PM**

CALL TO ORDER, INVOCATION PLEDGE OF ALLEGIANCE & ROLL CALL

The meeting was called to order at approximately 6:00 p.m.

Councilman Allen gave the invocation followed by the Pledge of Allegiance and roll call.

Arcadia City Council

Mayor Keith Keene
Councilman Robert Heine
Councilman Robert R. Allen

Deputy Mayor Alice Frierson
Councilman Joseph E. Fink

Arcadia City Staff

Interim Administrator Judi Jankosky
Captain Matt Anderson
City Attorney Thomas J. Wohl
Steve Underwood, WWTP
Fred Lewis, Systems

City Recorder Virginia S. Haas
Finance Director Jorge Santana
Jerry Cordes, Public Works
Carrie Taylor, Golf Course

PRESENTATION

Employee of the Month of June 2012 – Jeanie “Helen” Raines

Mayor Keene presented the employee of the month plaque for June to Mrs. “Jeanie” Helen Raines.

CONSENT AGENDA

1. Minutes of June 12, 2012 Budget Workshop Meeting
2. Minutes of June 19, 2012 Regular Meeting
3. Check warrants from 06/19/12, 06/22/12, 06/26/12, 06/27/12 and 06/28/12

A motion was made by Councilman Fink and seconded by Councilman Allen to approve consent agenda items number 1 and 3 as presented. The motion carried 5-0.

Councilman Fink requested two changes to the June 19, 2012 minutes and the City Attorney explained requested changes to the item regarding the fire services contract.

A motion was made by Councilman Fink and seconded by Deputy Mayor Frierson to approve consent agenda item number 2 with the requested amendments. The motion carried 5-0.

DISCUSSION ITEMS

4. Grant Opportunity for McSwain Park (Interim Administrator)

Mrs. Jankosky reported that she provided a copy of the draft grant agreement which Ms. Penny Kurtz worked diligently on for the improvements to McSwain Park. The City would oversee the \$500,000 grant from Mosaic for the park improvements, if acceptable to the Council. Ms. Heather Nedley, Mosaic, reported that the grant opportunity became available in May and it is a corporate grant which she collaborated with Ms. Kurtz and Mrs. Jankosky in support of the redevelopment of McSwain Park. She stated it was her understanding the park would be redeveloped in phases and this grant could possibly help complete almost three phases of the project. Mayor Keene thanked Mrs. Nedley and applauded the collaborative effort and also mentioned Hands of Angels, Terry West, Chamber of Commerce and DeSoto County. He was pleased with the effort in making McSwain Park a destination within the City of Arcadia.

Mrs. Jankosky stated that Attorney Wohl reviewed the grant agreement and there were some minor date changes. She also explained that the agreement does give Mosaic the naming rights to the water section of the park.

A motion was made by Councilman Fink and seconded by Councilman Heine to approve the grant agreement with Mosaic in the amount of \$500,000. The motion carried 5-0.

Mrs. Jankosky announced that the groundbreaking ceremony for McSwain Park is scheduled for July 12, 2012 at 5:15 p.m.

5. Quarterly Report from AAAC (Interim Administrator)

Mrs. Jankosky reported that the Airport Committee is working on the logo and signage which once finalized would be brought before the Council for review. She explained that Mr. George Chase drafted an Airport Marketing Plan which was included in the Council's packets. She stated that the Committee is also addressing mowing standards and minimum standards. Mayor Keene responded that he is excited about the Airport progress and thanked Mr. George Chase and the Committee for their efforts.

6. Wingman Aviation Contract (Interim Administrator)

Mrs. Jankosky reported that she is working with both Fire Inspectors to address the type of mechanic work that will be performed in the hangar. She stated that a list of activities is being recorded and they are reviewing the potential of water supply at the airport. Mrs. Jankosky asked that any questions be directed to her office as to avoid any miscommunication during the process. Councilman Fink stated he heard a rumor that the vendor involved in this sued the City and questioned if this was correct information. Mrs. Jankosky responded that there was a complaint filed with the FAA to which the City responded however there was no suit filed.

Mr. Ricky Hilton, Wingman Aviation, stated that he has attempted to open his business since December 20, 2011 and still no agreement has been reached. He noted if the delay centers on the sprinkler system that could not be accomplished because of lack of water at the airport. He stated if the delay concerns the type of maintenance occurring in the hangar he asked that those type activities such as painting and welding be added to the agreement as not allowed. He continued that the process should not take eight months and asked to sit down with staff to arrive at a mutual agreement. Councilman Fink asked what it will take to allow Mr. Hilton to operate his business. Mrs. Jankosky responded that at this point in time we do not know exactly what type of activities he can and cannot perform. Mr. Hilton replied to Mayor Keene that he would not conduct any type activities that would change the group classification which requires fire suppression. Deputy Mayor Frierson stated that the City has a contract with Air-Cadia and asked if allowing the business would open the City up to any legal issues. Attorney Wohl replied that we need to determine first what the Fire Inspectors will allow the business to perform and draft a list of items that can and can't be performed in the hangar. Then we can begin negotiating a contract with Mr. Hilton and also verify if it violates any pre-existing obligations with Air-Cadia.

Councilman Fink stated that eight months is a long time for processing and we should tell Mr. Hilton yes or no and at least provide an answer within the next two weeks. Mr. Hilton suggested referencing the Fire Codes within the agreement. Deputy Mayor Frierson asked if we would be allowing business in all hangers and regulating each one. Mr. Hilton responded that only Group F hangars allow for maintenance businesses and he has all of the South side to himself not interfering with anyone. Mayor Keene voiced that he would like to see Mr. Hilton's business move forward and he believes that all involved could sit down and work out the issues. Mr. Hilton emphasized that he believes it's the activities that he cannot perform that should be in the contract rather than listing all the work he would be performing. Mr. Hilton responded to Deputy Mayor Frierson and Councilman Heine that he is not performing work inside the hangar however he is working outside the hangar.

Councilman Fink asked if County staff, City staff and the City Attorney could return with definitive answers at the next meeting. Attorney Wohl responded that he could review the contract for any issues. Mrs. Jankosky and Mr. Maxcy confirmed they could possibly get information to see if Mr. Hilton's business falls within the parameters allowed. Mrs. Jankosky explained the issues are difficult because the group II definition is any hangar where there are hazardous operations. She asked Mr. Hilton if he would be breaking down engines, conducting any fuel transfers, welding, torch soldering or spray painting to which Mr. Hilton replied no. Mrs. Jankosky explained that a list is not provided but you are asked what you intend to do and they verify whether it can be done. Councilman Fink replied should not the fire inspectors have a list of prohibited activities as that list would include Florida Statutes and Federal Fire Codes. Councilman Fink asked for a consensus to empower staff to acquire definitive answers to all questions posed. Council agreed to two weeks to gather definitive answers. Attorney Wohl asked Mr. Hilton if he could provide staff a list of his services as a starting point. Mr. Hilton replied that he already submitted a services list in terms of aviation language. He continued that according to fire codes, activities in the hangers don't matter if it is commercial or private or where it's located and he has to comply with no more than anyone else. Mr. Hilton replied to Attorney Wohl that he would not incorporate at this time.

7. Firefighter Health Insurance Benefit Update (Interim Administrator)

Mrs. Jankosky reported that the minutes reflected that Mr. Ricky Wood did receive a pro-rated share of 94%. She stated that according to the table Mr. Karl Lewis would be eligible for 67.5% of his total health insurance premium paid by the City. Mayor Keene pointed out the provided table which clearly indicates the time served with the City and corresponding pro-rated share that the City would provide. She said she had a similar request from Mr. Harvey Sweeting.

A motion was made by Councilman Fink and seconded by Councilman Allen to amend the current health insurance eligibility policy to include the presented table of percentages. The motion carried 5-0.

A motion was made by Councilman Heine and seconded by Councilman Fink to approve the pro-rated share of 67.5% health care eligibility for Mr. Karl Lewis. The motion carried 5-0.

8. Sale of Surplus Scrap Metal Procedure (Interim Administrator)

Mrs. Jankosky reported that the current sale of surplus material requires any sale over \$100 to be bid out and explained that it is difficult to ascertain whether the material is under or over \$100. She requested if Attorney Wohl could amend the policy to allow Department heads the ability to sell the surplus scrap metal and materials not including vehicles.

A motion was made by Councilman Heine and seconded by Councilman Fink to allow the sale of surplus scrap metal by the Department Heads excepting vehicles.

Attorney Wohl clarified the sale of scrap metal policy was created to avoid stockpiling, liability and the cost for advertising the bids. Mr. Jerry Cordes, Public Works, stated that it was his understanding through Dr. Miller that a Department Head could sell any surplus materials for scrap except for vehicles. Mr. Jorge Santana, Finance Director, clarified that Mr. Cordes' Department picks up scrap materials like old refrigerators, dryers, televisions, etc. on a daily basis and those items should not be stockpiled however City owned property is treated differently determined upon its value. Attorney Wohl replied to Councilman Fink that he could draft a proposed amendment to the policy which addresses the difference between the surplus scrap metals and city owned property and vehicles. The motion and second were withdrawn at this time.

9. Mobile Home Park and Highway 17 Widening (Interim Administrator)

Mrs. Jankosky reported that she met with the Department of Transportation (DOT) and they have requested additional right of way in exchange for a noise barrier wall. The wall will cost approximately \$400,000. She responded to Mayor Keene that there are possibly two mobile homes that are encroaching two to three feet and there are available spots for them to be moved if necessary. Mrs. Jankosky replied to Deputy Mayor Frierson that it will be a 16 foot block wall. She reported that DOT conducted surveys with the tenants and the appraisal has not been completed but is expected in August or September. She asked for more information from DOT in order to convey all pertinent information to the City Council.

10. Insurance (Interim Administrator)

Mrs. Jankosky relayed that she received packets of information from Albritton Insurance and Public Risk Insurance Agency and asked if the council would like to see presentations from each company regarding their services. Mayor Keene agreed. Councilman Fink stated that DeSoto Insurance should be present also. Mrs. Jankosky reported the presentations would be more about the services rather than quotes and each presentation could be 20 minutes in length. Council agreed to hold a workshop on Thursday, July 19, 2012 at 5:30 p.m. Council can submit five questions by July 16, 2012 for each agency to address at the workshop. Mayor Keene asked that all information is shared regarding our current insurance, policy, premium amounts and any presentation information.

Mr. Lew Ambler, DeSoto Insurance, explained that he is working with staff on the equipment schedules and making progress toward what the City actually owns which may save the City some money. He stated that the safety issues are being addressed and he has been very pleased with the attitude from Administration toward insurance and safety needs of the City. He stated he is available if Council would like to address the insurance needs when the new interactive water park is added to McSwain Park. Mrs. Nedley clarified that it will be an interactive water fountain. Mayor Keene stated that the City will need to know what type fountain is installed so any regulations can be addressed. Mr. Ambler replied that the insurance will be a nominal amount.

ORDINANCES

11. ORDINANCE NO. 975: FIRST READING OF AN ORDINANCE DELETING SECTION 70-6 OF THE CODE OF ORDINANCES OF THE CITY OF ARCADIA; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE. (City Attorney)

Ordinance No. 975 was read by title. A motion was made by Councilman Heine and seconded by Councilman Fink to approve Ordinance No. 975 at first reading as presented. The motion carried 5-0.

12. ORDINANCE NO. 976: FIRST READING OF AN ORDINANCE AMENDING SECTION 60-3 OF THE CODE OF ORDINANCES OF THE CITY OF ARCADIA TO PERMIT CITIZENS OF DESOTO COUNTY TO SERVE ON THE HISTORIC PRESERVATION COMMISSION; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE. (City Attorney)

Ordinance No. 976 was read by title. A motion was made by Councilman Heine and seconded by Deputy Mayor Frierson to approve Ordinance No. 976 at first reading as presented. The motion carried 5-0.

COMMENTS FROM DEPARTMENTS

13. City Marshal – June report included in packet

14. Attorney

a. Special Event Permit Application

Attorney Wohl reported this was a proposed application for special events for Council's review. Attorney Wohl responded to Councilman Heine that this permit was more geared toward events held on City property, utilizing City services, closing of streets and those events of a more reoccurring nature. Mayor Keene asked if the Department of Health and Department of Business and Professional Regulation are recognized in the application to address state regulations. Attorney Wohl responded that language addressing mobile food vendors could be added and page two of the application does require food/beverage vendors to notify the County Fire Department. Mrs. Jankosky stated that any place serving food must be inspected and a mobile vending business is required to obtain a business license.

A motion was made by Councilman Heine and seconded by Councilman Fink to approve the special event permit application as presented. The motion carried 5-0.

Attorney Wohl reported an update on the Department of Corrections (DOC) contract for the prison workers. He stated that initially he had some concerns because the contract did not contain set standard for man-hours. He contacted DOC and was told that the contract would need to be revised by Tallahassee however he was told that the Warden takes these contracts very seriously and if there was an issue it would be addressed. He reported that the contract is \$58,000 per year for an eight person squad and if the crew does not perform or there is lack of an Officer the contract can be pro-rated. Mr. Cordes confirmed typically the inmates are working as scheduled. Council agreed that the contract could be executed as presented.

15. Interim Administrator

a. FLC Delinquent Business Tax Program Refund

Mrs. Jankosky reported a check received in the amount of \$825.00 from the FLC for payment of delinquent business taxes for insurance companies. The telecommunications audit is ongoing.

b. Future budget amendment for Paving/Sidewalk

Mrs. Jankosky reported that future budget amendments for paving and sidewalk repairs should be taken from capital improvements and Mr. Santana requests a consensus to move those funds from the repair and replacement to capital improvements when the budget amendment is prepared.

A motion was made by Councilman Heine and seconded by Councilman Fink to approve moving funds from repair and replacement to the capital improvement line item when the budget amendment is prepared. The motion carried 5-0.

Mr. Charles Conklin stated that Baldwin Road remains in need of repair and asked if the city would like to pay for all the damaged vehicles due to the poor road conditions. Mr. Cordes responded that he believes that particular road has water lines in need of replacement. Councilman Fink asked the City Attorney if a citizen makes a complaint on a public nuisance that causes damage to their property and the City takes no action when the second complaint is filed the city is then held liable. Attorney Wohl responded that he would review the statutes and report back. Mrs. Jankosky stated that City code calls for when a road is paved or repaved that residents are responsible for one third of the cost of the portion abutting their property.

c. Emergency Preparedness

Mrs. Jankosky reported that she recently met with Department Heads in planning preparations for any events that may occur this year. She also reported she would be attending a meeting with the County concerning debris contractors on July 10, 2012.

PUBLIC (PLEASE LIMIT PRESENTATIONS TO FIVE MINUTES)

Mrs. Adrienne Daley stated for months she has heard from very reliable citizens that it appears the City's budget is in a mess. She was told at one point the City had reserves then the paper reports the City faces bankruptcy. She asked if this was something that was just found out and why did we not know this. Mayor Keene responded that the Council always knew the City was in need of saving and not borrowing from reserves and he found the headline in the paper startling as well. Deputy Mayor Frierson reported that the council was told several months ago that the City had \$450,000 in surplus and now we are near depleting the reserves. Mrs. Daley continued that the public has the right to know when the city is on shaky ground and she thought all was well.

Mr. Santana explained that over the last ten years the City has been hemorrhaging money and should the general fund be depleted the City can no longer function. He stated each year \$500,000-\$750,000 is used to balance the general fund depleting the reserves. This year the surplus of \$526,000 was used because a settlement was paid out in the amount of \$450,000 rather than being paid in the previous year. He continued that in the summer months more is spent than is generated in revenues such as the Golf Course, Mobile Home Park, etc. which places the City in the negative approximately \$400,000 at the end of the year. Should the situation progress the City will be in dire straits. Mr. Santana reiterated that he provided the financial information required and what he stated is truly accurate; the City needs to cut expenses or increase revenues; these are the only two options for the City to be viable.

Mrs. Janie Watson stated that for months the public was told that city finances were fine and the public should not worry. The public felt this budget does not compute and the figures don't come out right. She stated that she remembers the Council being told don't worry we can take money out of another fund because we have extra then all of sudden the City is going bankrupt. She requested that the public be given better information, the truth and not covered up.

Mr. Santana responded to Mayor Keene that the \$450,000 was originally going to come from last year's budget now per the City Auditor it is being taken out this year's budget. Mr. Santana responded to Deputy Mayor Frierson that in the minutes he stated a surplus at that time

however whatever occurs in the following six months determines the resulting budget. At the close of the year we expect to spend to zero then you add to that another \$450,000 and you are in the hole. Mr. Santana responded to Deputy Mayor Frierson that at that point in time the city showed a surplus however he did not say it would continue through the year as the budget is something we estimate.

Mayor Keene thanked the public for attending and reminded that Council has been meeting every other Tuesday night to work on the budget which this Council deserves credit. Mr. Santana stated that every month he provided the financial statements and in those documents you can see every month how the surplus is diminishing.

Councilman Fink stated it was his recollection at the last meeting that the re-evaluation of the property levels of the city went down and that is what caused the new problem. Mr. Santana responded that was part of it but even before the devaluation the City was in the hole. He continued that part of the issue is that everyone is looking at a specific month. The first few months are good and there is some surplus but as you go through the summer months the surplus is used and then he must estimate the remaining months. He stated that he does not see the expenditures of the departments, he only processes them when they come in. Mr. Santana responded to Deputy Mayor Frierson that the budget is created because it is required by statute. Deputy Mayor Frierson responded is not the budget there to tell the department what is allowed to be spent in that year. Mr. Santana replied the question is whether the budget is followed or not.

Mr. Bob Miller, 7895 N.E. Cubitas, apologized for assuming he was allowed to put signs on City property and his signs were impounded at the Police Department. He stated that it would have been nice to have received a phone call prior to them being removed by City employees.

Mr. Miller explained the fundraising project for the High School football team and the golf tournament held at The Bluffs. He stated that the primary purpose of the tournament is to raise money and the place was predetermined. \$8,410 was raised and he thanked everyone for their support. He got involved in mid-stream with 104 players. When he asked the attendees if they would like to play at the Arcadia Golf Course about 50 percent said they would not play. He talked about possibly hosting a tournament at the Arcadia Golf Course and he would help organize and participate.

Mr. Miller spoke about the newspaper article stating that the golf course lost \$88,000 however he felt this was not accurate because at this time the golf course appears to be \$50,000 ahead in revenues. Mayor Keene reminded we are not done with year yet. Mr. Miller encouraged Council to be careful what is said if you don't know where you stand.

Councilman Fink responded that Mr. Miller's statement was directed at him and he believes last week when we met he asked specifically from the documents given to Council that we were \$78,000 in the red. Ms. Jankosky replied the numbers were for next year and that was the budgeted amount to be adopted. Councilman Fink replied to Mr. Miller that a candidate for County Commissioner might be careful what he impugned on the integrity of others. Mr. Miller responded that in reading the paper he didn't take that number as budgeted, he took it as \$88,000 lost and if he was incorrect he apologized. Councilman Fink replied that Council had a budget meeting last Tuesday and those were the projected figures for the next year showing a loss of \$78,000 for something that is not a public service but a money making organization. Mr.

Miller responded that if Councilman Fink was misquoted or he misunderstood, he was again sorry. Councilman Fink replied that Mr. Miller did misunderstand.

MAYOR AND COUNCIL MATTERS

Mayor Keene reported that next Tuesday, July 10, 2012 the Council will meet to discuss the Marshal's budget again as it may be the only place for cuts to occur. Councilman Fink stated that there is a possibility that in September of next year we will be laying off 90 people so we really need to look at all options by losing only 26 employees rather than 90 employees eventually down the line. Mr. Santana stated that even if the Fire Services Contract is negated we will only save for an extra year or two unless we do something drastic like outsourcing the Police Department. Councilman Fink stated that the Police Department is the only place to cut and unless we look at these options we will be the last Council to review the City budget. He stated again that we will either save 90 minus 26 or save none at the end of the year in his opinion. He asked that all issues be addressed at the next meeting.

Mayor Keene reported that he and staff would meet with the County in regards to the fire contract in the next week or so. He asked Mrs. Jankosky to contact the County to set a date and time.

ADJOURN

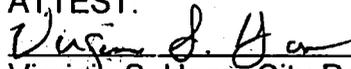
There being no further business the meeting adjourned at 7:50 p.m.

APPROVED THIS 17th DAY OF July, 2012.

By:


Keith Keene, Mayor

ATTEST:


Virginia S. Haas, City Recorder