

August 5th, 2014
5:30 PM

The City Council of the City of Inverness met on the above date in Regular Session at 212 W. Main Street with the following members present:

President Hinkle
Vice President Hepfer
Councilwoman Bega
Councilman McBride
Councilman Ryan
Mayor Plaisted (Not Present)

Also present were City Manager DiGiovanni, City Attorney Haag, Community Development Director Malm, Finance Director Chiodo, Aquatic Coordinator Pleacher, Woodard & Curran Director Regina and City Clerk Davis.

The Invocation was given by Councilman McBride and the Pledge of Allegiance was led by the City Council.

ACCEPTANCE OF AGENDA

Council President Hinkle entertained a motion to accept the agenda with changes to move the Mayor's Local Achievements to follow Acceptance of Agenda, and Opening of Public Meetings to be above City Attorney's Report. **Councilwoman Hepfer motioned to accept the Agenda as presented with changes. Seconded by Councilwoman Bega. The motioned carried.**

MAYOR'S LOCAL ACHIEVEMENT AWARDS

7)a) **City of Inverness Hilltoppers Swim Team was addressed, with** City Manager DiGiovanni presenting a Cooter Kudo to the Hilltoppers Swim Team and providing the background and history of the Swim Team beginning at the Whispering Pines Pool, and reaching out into the school system and beyond in Citrus County.

PUBLIC HEARINGS

None

OPEN PUBLIC MEETING

None

CITY ATTORNEY REPORT

None

SCHEDULED APPEARANCES

6)a) **Citrus County – 1 Cent Sales Tax Presentation** - Agenda material was provided which addressed the Citrus County 1 Cent Sales Tax Presentation. It was noted that the majority of the Citrus County Board of Co Commissioners decided to proceed with

Ordinance language and ballot initiative for this election in November for the public to vote on a 1-Cent Sales Tax for road resurfacing.

Jeff Rogers, Interim Co. Administrator came to update the Council on a “Cents for Citrus” referendum by the Board of County Commissioners (BOCC). He spoke of meeting with the City Manager of the County’s efforts to address the local road resurfacing. He is here to inform and educate Council of the referendum, and if there is interest in an interlocal agreement for the City to receive a share of the revenue should the referendum pass.

Mr. Rogers spoke of a 1% surtax allowed by the FL. Dept. of Revenue, called a Charter County Regional Transportation System surtax, or sales tax. The Referendum has been approved by the BOCC to be placed on the November 4th General Election ballot. This can be shared with other municipalities, by Interlocal Agreement, with no requirement of how sharing is calculated. One method is a formula based on population. This surtax can be used due to the County’s membership in the Tampa Bay Regional Transportation Authority.

He stated that the County’s local resurfacing program has not been sufficiently funded, and approximately 3 years ago, with the recession and with the Duke Energy issues, the County stopped resurfacing at that time. The County requires approximately \$13 million a year for all local roads to be paved every 20 years.

The Florida Department of Revenue calculates that a one cent sales tax could generate annually up to \$11.6 million. If the referendum gets passed all 1678 miles of County maintained and owned local residential paved roads will be resurfaced which could improve safety and quality of life. To use the formula that goes by population it would be \$500,000 per year estimated income return to the city.

Mr. Rogers spoke to the current gas tax revenue which is declining and cannot be increased. Citrus County has approved all the local gas tax allowable under Florida statutes. He compared surrounding counties resurfacing efforts compared to Citrus County. Mr. Rogers noted that with this gas tax, everyone pays for roads and maintenance to include residents, tourist, renters, businesses working or driving through Citrus County.

The one cent sales tax would be applied to the first \$5,000, of a purchase and the current exempt items will remain exempt. This tax will benefit the residence, roadway construction industry, motorists, real estate industry and the County. This tax will be in effect for 20 years (one life cycle – all roads paved), and would have to go for referendum to be renewed. BOCC would oversee and is responsible for surtax. The ordinance requires an annual report of all revenue and expenses. The County would also approve all road paving bids and contracts.

Discussion:

Councilwoman Bega spoke to the ordinance wording regarding “may get funds” and would this be above and beyond the County maintaining their own roads that are within the city, because they’re not all city roads. Mr. Rogers stated that per the Ordinance the cities get funded through an Interlocal Agreement. Through the Interlocal Agreement the city could receive \$500,000 but not beyond. Councilwoman Bega questioned if we will still be paying \$.12 gas tax and \$.01 sales tax and if all of this money is going towards the roads. Mr. Rogers stated that the 1cent would be dedicated for resurfacing of local paved roads. There are restrictions on the \$.12 gas tax for various uses.

Councilwoman Hepfer referenced the Transportation Authority (TBARTA) and how they figured into a 1% tax on Citrus County. Mr. Rogers stated that is if you would want to consider sharing with TBARTA.

Councilman Ryan questioned current gas tax income and spoke to the increase with the gas tax and the \$.01 sales tax, and the potential to lessen the gas tax. Mr. Rogers explained it being restricted by ordinance. Councilman Ryan questioned if the roads are currently good for 50 years, with Mr. Rogers stating the typical life is 16-20 years.

Councilman McBride asked if the referendum is passed could the ad valorem or the gas tax would be reduced, and what are the chances this would be voted on? He questioned the number of miles that this \$.01 gas tax would be applied to. It was clarified this tax is to be used for inventory of paved local roads (not major roads). Councilman questioned how this is preferable to a local assessment, and Mr. Rogers stated assessments are only paid for by residents and the \$.01 surtax is paid by visitors, renters & business as well as residents.

Council President Hinkle questioned some of the figures referenced, including the amount being generated by the tax and what was being budgeted.

Councilman Ryan asked how resurfacing would be funded if the referendum is not passed. Mr. Rogers spoke to workshops regarding surtax and having a meeting with County Commissioners to see how it would be funded.

Councilwoman Bega questioned the current gas tax allocation and what would the proposed bonds be? Mr. Rogers explained the existing bonds are for CR 486 & proposed bonds are for the proposed 491 projects.

County Atty. Haag questioned the timing of the interlocal and that it would have to be to the Department of Revenue 10 day after the referendum passes. Carrie Parsons - County Attorney stated the statute does not say that but the ordinance and the referendum must be there within the 10 days. City Attorney Haag understood the money would flow through the Clerk of the Courts and be held in trust fund. City Attorney spoke of how the Interlocal could be changed in the future. His concern is the Council's role. City Attorney Haag referenced that Citrus Springs started with a MSBU for various issues and then was shifted to a MSTU, and questioned if the MSBU still exists out there for road purposes. Mr. Rogers stated that yes it is still in existence.

6)b) City Attorney memorandum & Analysis of 1-Cent Sales Tax - City Attorney Haag advised Council to be aware that in the ordinance if the County has preference to change its ordinance language in the future and determine funding shift to other transportation uses besides resurfacing, it can happen. The County reserves the right to change the use of the transportation surtax through subsequent ordinance.

CONSENT AGENDA

Councilwoman Hepfer motioned to accept the Consent Agenda. Seconded by Councilman Ryan. The motion carried.

- a) Bill Listing*
 - Recommendation – Approval
- b) Council Minutes – 07/15/14 & 7/22/14WS*;*
 - Recommendation – Approval
- c) Proclamation – Constitution Week*

- Recommendation - Approval
- d) Cemetery Lot Repurchase – Lot 443, Citrus Ave Addition*
- Recommendation – Approval

CITY MANAGER’S REPORT

10)a) SRF Loan Agreement Amendment was addressed by City Manager DiGiovanni who explained that this issue dates back almost 10 years with plan development and construction of the Wastewater Treatment Plant. Funding was received by the Department of Environmental Protection (DEP) to design an upgraded Plant Facility and Reclaimed Water system in August 2005. The State Agreement provided a maximum of \$10,000,000 in grant funds. The State’s original loan language and grant agreement did not include a provision to clarify that grant proceeds are annually awarded by Legislative Action . The new language will be added to the existing Agreement and will read as follows: *The State of Florida’s performance and obligation to pay the grant fund under this Agreement is contingent upon an annual appropriation by the legislature. The Department and the Local Government understand that this Agreement is not a commitment of future appropriations.* The Florida Legislature has consistently appropriated grant funding since the inception and no different than Inverness, annual payment are subject to an annual appropriation.

Councilwoman Bega motioned to authorize Amendment 4 to the State Revolving Fund Debt Purchase Agreement, and Amendment 2 to the State Revolving Fund Grant Agreement and for the Council President to execute documents as necessary. Seconded by Councilwoman Hepfer. The motion carried unanimously.

10)b) Medical Benefit Renewal: Vision & Dental Plan was addressed. City Manager DiGiovanni explained that the City of Inverness maintains a benefit program for Major Medical to include prescription drugs; Vision, and Dental. At the prior meeting, City Council acted to renew the Major Medical program without any change to the cost or benefits. Proposals were received for the Vision and Dental Plan which includes: program administration, cost and benefit level and are being renewed without an increase in cost or change in benefits.

Councilwoman Hepfer motioned to renew the Dental Plan with Dental Decisions, and Vision Plan with the Florida Municipal Insurance Trust, and authorize the City Manager to execute renewal agreements for both programs covering the 2015 benefit plan. Seconded by Councilman Ryan. The motion carried unanimously.

10)c) Plaza Development was addressed by City Manager DiGiovanni, who noted this was in reference to the Plaza Development Project at the corner of Courthouse Square and N Apopka Ave. This project is supportive to the Valerie Theatre Project, which is currently underway with the firm Clancy & Theys, through a Construction Manager at Risk (CMAR) arrangement. Before them this evening are amendments to the original agreement to enter into a separate agreement with Clancy Theys as Construction Manager at Risk (CMAR) for development of the Plaza itself. This project is anticipated to cost \$422,180 and will be an impactful element to the downtown, and is recommended that City Council proceed accordingly. He noted all the positive comments he was receiving on the Revitalization of Valerie Theatre. The GMP provides a ceiling amount for the CMAR given their prospective diligence of certain pre-construction services.

Councilman McBride questioned possibility of price change, causing this project amount to increase. City Manager DiGiovanni stated no, as the element of the plaza have been reviewed at such a heightened detail, to the point of landscape illumination, and the measuring of the feet of lighting to be strung in the trees.

Councilman Ryan motioned to authorize that the Council President execute the Amendment to the CMAR, continual services agreement for the Plaza Development Project. Seconded by Councilwoman Hepfer. The motion carried unanimously.

10)d) Byrne Grant – 51% Letter was addressed by City Manager DiGiovanni advising that the amount of \$53,925 will be used to provide a Law Enforcement Data Storage and Retrieval System by way of computer capacity to meet the ever increasing need to store, secure and retrieve law enforcement data. A requirement of the grant is for the Sheriff's Office to secure support from 51% of the Law Enforcement Agencies of the community for the application and use of the funds.

Councilwoman Hepfer motioned to authorize the Council President to execute the Byrne (JAG) Grant Fifty-One percent letter in support of the Sheriff Office application to be awarded \$53,925 for local use. Seconded by Councilman McBride. The motion carried unanimously.

10)e) Florida League of Cities Conference – Voting Delegate was addressed by City Manager DiGiovanni who referenced attached agenda information by the Florida League of City for the upcoming Statewide City Conference. Council is asked to select one to serve as the representative voting delegate for Inverness at this year's League Conference. The selected party will be required to attend business meetings, participate in discussion and vote the interests of our City.

Councilwoman Bega motioned to make Council President Hinkle the authorized voting delegate for Inverness at the 2014 FLC Conference. Seconded by Councilman McBride . The motioned carried unanimously.

10)f) MPO Committee Appointments was addressed by City Manager DiGiovanni referencing volunteer committee member openings on the Hernando/Citrus MPO boards. There is one opening for an individual to represent Citrus County in cycling. City Manager will agree to serve unless there is someone else interested. If there is anyone other than him that understands the subject please bring their names forward. An application needs to be completed and forwarded to the MPO. No current action was necessary.

10)g) Cooter Pond Lighting Project Status (verbal) was addressed

On going project – and moving forward and taking longer than originally expected. Another addition to the downtown.

City Manager DiGiovanni additionally reported on the following:

- Next City Council meeting (08/19/14) will be at the Historic Courthouse on the second floor, due to early voting in our building.

- The recent budget workshop went very well. There are still some glaring issues such as public safety, etc. He stated that the 1 Cent Sales Tax is adding to the amount of taxation levied on communities, and noticed the majority of those taxes are going to CR 491, and spoke to the harm due to the medical corridor.

COUNCIL/MAYOR SUBJECTS

Councilman McBride referenced City Manager's comments regarding 486, 491 and the medical corridor, and how these are effects of sprawl and lack of planning. His prediction is that the one cent sales tax doesn't have a chance of passing. MPO meeting is on August 19th which is the same day as Council meeting.

Councilman Ryan stated the Pine Street Jam was awesome with many people from all over the county and further. Enjoyed the budget meetings and appreciate all of the information provided. Visited the Farmers Market and enjoys being a Councilman.

Councilwoman Hepfer referenced 491 and why would I want to contribute to the medical corridor as it will affect the medical community in our downtown area. Spoke negatively of the new 1 Cent Tax.

Councilwoman Bega stated the public needs to know we currently pay .12 cent tax per gallon of gas and half of that \$7.4 million is going to two roads, while these past years no other roads have been resurfaced. She agrees that we don't see the 1 cent tax passing. Friday night was a blast and Sunny Cooter is one busy turtle.

City Manager recalls not long ago of the Ottawa Project was to alleviate the need to widen 491. Impact fees were collected to fund deficiencies for a number of years. We are to manage the City of Inverness but nothing wrong to raise concerns with the county plans.

President Hinkle agreed with consensus regarding 1 cent tax and is offended about the medical corridor. Children will be going back to school tomorrow & asked all to be careful. Noted that he has qualified to be a councilmember once again. He spoke of the 1st Methodist Church being hit by lightning and cannot meet there until it's repaired, which will take some time. Spoke to the Pine Street Jam and how much the people enjoyed it.

CITIZENS NOT ON AGENDA

Brad Gibbs, a city resident and downtown businessman spoke to Friday night and the young people dancing and all in safe environment. There is coming an aggressive project to reface several storefronts in downtown Inverness and has been working with Dale Malm on the facade grant application. Last Monday received a call from lawn maintenance people regarding his rental unit on Osceola and a water problem with water shooting in the air. He called Regina (Public Works) to have someone from the city turn off water with a special tool, even though it was not the city's responsibility, and referenced that would never be done in South Florida.

Meeting adjourned at 7:19.

City Clerk

Council President