

A workshop meeting of the City Commission was held on May 19, 2015 at 5:00 p.m. in the Commission Chamber at the Municipal Administration Building. The meeting was called to order by Mayor Eugene Fultz.

**COMMISSIONERS PRESENT:** Jonathan Thornhill, Pete Perez, Christopher Lutton, Eugene Fultz, Mayor, Terrye Howell

**COMMISSIONERS ABSENT:** Commissioner Howell arrived around 5:03 p.m. following the roll call.

**CITY REPRESENTATIVES PRESENT:** Kenneth Fields, City Manager; Clara VanBlargan, City Clerk; Jennifer Nanek, Deputy City Clerk; Albert C. Galloway, Jr., City Attorney

[Full staff memos are incorporated into the minutes. Meetings are recorded, but not transcribed verbatim.]

## **Agenda Item 2. S. R. 60 Westerly Expansion**

Kenneth Fields, City Manager, introduced Kimley-Horne & Associates to review the 60% plans for the expansion on SR 60.

Elisa Turner, Kimley-Horne & Associates, explained that they were tasked by the city to design a 12" water main extension and an 8" force main extension from just east of the CSX Railroad down the north side of SR 60 down Airport Road and up to the back side of the wastewater treatment plant. The City Commission received copies of the 60% plans for review [provided to the city commission the Friday before the meeting]. The survey was completed and a natural resource assessment with an endangered species study. The environmental assessment came back clean. They did a subsurface utility investigation to get an idea where the utilities are. We are in pretty good shape now. Some adjustments were made to accommodate future airport plans. These plans have been submitted to Hoyle Tanner and Associates and they had no negative feedback. Ms. Turner has worked with Tom Moran, Utilities Director, to construct sanitary sewer gravity lines to go to the campground, armory, and FBO building at the airport. Ms. Turner reviewed the pages in the plans showing where the connections are.

Mr. Fields emphasized the need for the extension to go through the airport as there is a lot of interest in building at the airport such as hangars. Full service will be a major incentive to build at the airport and will enhance the economic development potential of the area around the airport. Mr. Fields also reported that FDOT is planning some work at the railroad crossing; they will make sure there will be no conflicts between the projects. The line will be far off the roadway, we can stop it and cap it if needed, but no additional decisions are needed now.

Commissioner Lutton inquired about page C33. He asked if that indicated the main water main, the force main, or the gravity. Ms. Turner answered that it is the primary force main and water main, but not the gravity. Commissioner Lutton asked if we are coming down to Airport Road then south to back feed the existing buildings at the airport. Ms. Turner said yes, with gravity lines there is a lift station at the top where the gravity lines up and down airport road will feed into. Commissioner Lutton asked what the other existing water mains on page 31 are. Ms. Turner explained that those are smaller water lines that the city has that currently serve the buildings out there. Commissioner Lutton expressed concern that these new lines might interfere with a possible plan to widen Airport Road. Ms. Turner said that there are no plans to widen Airport Road, but there are plans to overlay the road. Mr. Fields confirmed that the plan is to overlay the road and that widening Airport Road is not planned or necessary. Commissioner Lutton expressed concern about increased truck traffic. Mr. Fields said that the two lanes are sufficient for now, if development does take place leading to increased traffic that traffic would use another planned entrance road that could be widened. The current Master plan does not call for widening Airport Road. Tom Moran, Utilities Director, said that there is not much room to widen the road in places. Ms. Turner said that room was tight at the turnoff from HWY 60 to Airport Road so lines were put on both sides of the road. Teresa Allen, Assistant Director of Public Services, confirmed that the Airport Master Plan does not include widening the road but does include another entrance. Mr. Fields said that the key right now is getting the utilities there.

Commissioner Lutton asked about moving the lines to the North side of 60. Mr. Fields said that was a request from FDOT as it was more feasible as there was less room on the south side. Commissioner Lutton asked about the east of HWY 60 & Airport Road. He asked if that land is more developable or if it was all swamp. Mr. Fields responded that most of that area is not in the city. That area is developable, but the area around the Airport is even more developable. Ms. Turner said there is a "T" in there for future expansion. Commissioner Lutton said he wanted to be sure we have a "T" going both ways. If asked if there was one on the South side of 60. Mr. Fields said no as it is congested and as we don't know what exactly FDOT is planning east of that location regarding the 60 and 27 interchange. Commissioner Lutton wanted to be sure we can go east without going under HWY 60 every time. Additional possible development on both sides was discussed. Mr. Fields said there is interest in connecting from businesses on both sides of the road.

### **Agenda Item 3. Water and Sewer Revenue Sufficiency Review**

Kenneth Fields, City Manager, reported that this study is to review our existing rate structure and if it is enough to cover capital projects for the next few years. He introduced Tony Hairston with Raffelis Financial Consultants. Mr. Hairston introduced Joe Williams a consultant who was the primary analyst on this project. Mr. Hairston presented a slideshow on their findings and distributed a copy to the commission. The objectives were to review the self-sufficiency of the water and sewer systems for the next five years. Mr. Hairston explained that current net revenues are adequate for now. He is concerned about the decline in fund balances in the utility fund, more reserves will allow for additional flexibility. Mr. Hairston reviewed possible growth scenarios for the future which included a range from 18 units per year to 60. This is a conservative estimate. He then reviewed capital projects for water, sewer and reuse and the costs for the next five years. These projects will cost an estimated \$26 million and there is little reserve to work with. The C Street Sewer project already has an SRF to fund that project over the next five years. Current impact fees should be saved for plant expansion over the next five years. The debt service will be going down by almost \$1 million which will help to improve debt capacity. Mr. Hairston said that the City will not have enough to cover expenses in the years ahead. We need to rebuild our reserves. A slide illustrates the benefit of an increase of 14.5% which will cover future projects. Rate increases are needed to fund debt for capital projects and transfers to general fund. If we grow faster than anticipated then revenues and impact fees will be higher.

Mr. Fields reviewed the biggest projects ahead including lines along US 27 which must be moved when FDOT begins expansion. Many projects are needed and beyond our control. The SR 60 expansion is needed for additional growth. Some projects are way overdue and will cost more if continually delayed.

Commissioner Lutton expressed concern that an increase will make our rates higher than other cities. He asked what they are doing. Mr. Hairston responded some are planning to catch up and raise rates too. Our impact fees will help us as we grow. Commissioner Lutton asked if we will change our tier structure. Mr. Fields said yes, a small base rate increase, which will result in lower rates for higher users. This is revenue neutral, but provides for a steadier stream of revenue.

Mr. Fields said they will move forward with this and bring it back as part of next year's budget.

### **OPENED FOR PUBLIC COMMENT**

There was no public comment.

### **CLOSED FOR PUBLIC COMMENT**

The meeting was adjourned at 5:44 p.m.

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Mayor/Deputy Mayor

ATTEST:

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City Clerk Clara VanBlargan, MMC