

**MINUTES OF THE CITY COMMISSION MEETING
TUESDAY, MAY 28, 2013**

The City of Leesburg Commission held a regular meeting Tuesday, May 28, 2013, in the Commission Chambers at City Hall. Mayor Knowles called the meeting to order at 5:40 p.m. with the following members present:

Commissioner Elise Dennison
Commissioner Jay Hurley
Commissioner John Christian
Commissioner Bill Polk
Mayor David Knowles

Also present were Interim City Manager (ICM) Ray Sharp, City Clerk (CC) Betty Richardson, City Attorney (CA) Fred Morrison, Deputy City Clerk (DCC) Andi Purvis, the news media, and others.

Mayor Knowles gave the invocation followed by the Pledge of Allegiance to the Flag of the United States of America at the Leesburg International Airport Lease Policy Workshop immediately prior to this meeting.

PROCLAMATIONS:

Mayor Knowles read proclamation proclaiming May, 2013, as Civility Month.

PRESENTATIONS: None

CONSENT AGENDA:

Commissioner Christian moved to adopt the Consent Agenda and Commissioner Hurley seconded the motion.

The roll call vote was:

Commissioner Polk	Yes
Commissioner Dennison	Yes
Commissioner Christian	Yes
Commissioner Hurley	Yes
Mayor Knowles	Yes

Five yeas, no nays, the Commission adopted the Consent Agenda, as follows:

CITY COMMISSION MEETING MINUTES:

Regular meeting held January 14, 2013

PURCHASING ITEMS: None

RESOLUTIONS:

RESOLUTION 9196

Resolution of the City Commission of the City of Leesburg, Florida authorizing the Mayor and City Clerk to execute a first amendment to an existing agreement with Moore, Stephens and Lovelace, PA to provide financial audit services; and providing an effective date.

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

RESOLUTION 9197

Resolution of the City Commission of the City of Leesburg, Florida authorizing the Mayor and City Clerk to execute a Revocable License Agreement with Macerich Lake Square Mall, LLC for an emergency response staging area for the City of Leesburg's utility operators; and providing an effective date.

OTHER ITEMS: None

LEASE AGREEMENT WITH WIPAIRE, INC.

ICM Sharp stated he received word from Mr. Lee Webb with Wipaire on Friday requesting their lease agreement be moved to the second meeting in June as their attorney has not had sufficient opportunity to review.

Commissioner Polk made a motion to move 5.H, Wipaire, to the June 24th Commission Meeting and Commissioner Christian seconded the motion.

The roll call vote was:

Commissioner Dennison	Yes
Commissioner Christian	Yes
Commissioner Hurley	Yes
Commissioner Polk	Yes
Mayor Knowles	Yes

Five yeas, no nays, the Commission approved the motion.

ADOPTED ORDINANCE 13-18 AMENDING SECTION 2-1 OF THE CODE OF ORDINANCES PERTAINING TO SALE AND CONVEYANCE OF REAL PROPERTY OWNED BY THE CITY

City Clerk Richardson read the ordinance by title only, as follows:

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING §2 – 1 OF THE CODE OF ORDINANCES, PERTAINING TO THE SALE AND CONVEYANCE OF REAL PROPERTY OWNED BY THE CITY; ESTABLISHING A PROCEDURE FOR THE SALE OF PROPERTY DEEMED TO BE SURPLUS BY THE CITY; PROVIDING FOR EXCEPTIONS; PROVIDING A SAVINGS CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

Commissioner Polk moved to adopt the ordinance and Commissioner Christian seconded the motion.

Mayor Knowles requested comments from the Commission and audience. There were none.

The roll call vote was:

Commissioner Christian	Yes
Commissioner Hurley	Yes

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

Commissioner Polk	Yes
Commissioner Dennison	Yes
Mayor Knowles	Yes

Five yeas, no nays, the Commission adopted the ordinance.

ADOPTED ORDINANCE 13-19 AMENDING THE CITY OF LEESBURG CODE OF ORDINANCES CHAPTER 2, ARTICLE IV, DIVISION 10 COMMUNITY REDEVELOPMENT AGENCY, SECTION 2-168 BY ADDING SECTION 2-168.2 CORRIDOR STREET SCAPE/FAÇADE INCENTIVE GRANT PROGRAM PROVISIONS

Commissioner Christian read the ordinance by title only, as follows:

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, REVISING CHAPTER 2, ARTICLE IV OF THE CODE OF ORDINANCES PERTAINING TO ADVISORY BOARDS; DIVISION 10 COMMUNITY REDEVELOPMENT AGENCY, SECTION 2-168 IN GENERAL BY ADDING SECTION 2-168.2 CORRIDOR STREET SCAPE/FACADE INCENTIVE GRANT PROGRAM PROVISIONS; REPEALING CONFLICTING ORDINANCES; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

Commissioner Polk moved to adopt the ordinance and Commissioner Dennison seconded the motion.

Mayor Knowles requested comments from the Commission and audience.

ICM Sharp stated the agenda memo has been modified under the Fiscal Impact section since the last meeting to request approval of the \$100,000 budgeted for the matching sign grant program.

Commissioner Christian asked if there has been any interest from the community.

Community Development Director (CDD) Bill Wiley stated staff has not talked with anyone at this time.

Commissioner Christian stated he would hate for the City to have this program and no one know about it or utilize it. He thinks the whole intent was to beautify the Highway 27/441 corridor and requested staff to encourage property owners to take advantage of the program.

CDD Wiley stated upon adoption staff will print notices and mail to all the businesses.

The roll call vote was:

Commissioner Hurley	Yes
Commissioner Polk	Yes
Commissioner Dennison	Yes
Commissioner Christian	Yes

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING AND/OR SUPPLEMENTING THE CODE OF ORDINANCES CHAPTER 25, ARTICLE IV, ZONING, SECTIONS. 25-258 OFF-STREET PARKING BY DELETING (4) MAXIMUM NUMBER OF PARKING SPACES, 25-284 DISTRICT USE REGULATIONS, (2) USE TABLE KEY--TYPES OF USES AND (3) USE TABLE BY AMENDING THE USE TABLE FOR VEHICLE SALES AND SERVICE, SECTION 25-292 SUPPLEMENTAL DISTRICT REQUIREMENTS, (19) RESIDENTIAL GARAGES BY AMENDING THE GARAGE REQUIREMENTS; PROVIDING A SAVINGS CLAUSE; REPEALING CONFLICTING ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.

Commissioner Christian moved to adopt the ordinance and Commissioner Polk seconded the motion.

Mayor Knowles requested comments from the Commission and audience.

Commissioner Hurley stated he still has an issue with the City telling someone who encloses their garage, for whatever reason, they will have to build or buy a storage shed which aesthetically matches their home. His concern is for the home owner who lives in a hundred year old home and cannot afford to move, so encloses their garage. The City is now going to make them come up with a \$1,000 or whatever the cost to buy a shed; however, the house next door closed theirs in and now stores everything in the carport. He stated a carport is storage but not a covering and personally would like to see this section removed.

CDD Wiley stated since this issue was raised at the last meeting, he has reviewed the language and consulted with the City Attorney. He stated the way it is written, the home owner only has to comply with the size requirement; there are no design requirements.

Commissioner Christian stated his concern, when this first came up, was the architectural design of a shed to match the house which could be costly. He stated if someone just closes in the carport and takes all their stuff, bikes, scooters, and lawnmowers, and put them on the side of the house, as the neighbor you ask the City is this a code enforcement issue or just junky. At this point, the City does not have any teeth or recourse to tell the home owner to put this stuff in a shed to help improve the neighborhood. He stated the City has to be able to enforce this ordinance.

Commissioner Hurley stated he understands the beautification to a street but with these hard economic times some people are having to make adjustments, tightened up and move family in. He is just concerned about the hardship this may cause.

CDD Wiley stated staff has only spoken with one or two home owners who want to enclose their garage.

Randy Young, resident, stated he has concerns like Commissioner Hurley with the changing times and families moving back home. People have limited space and are paying taxes on the space, and now the government says you cannot use the space for

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

what you need. He asked why the City would not let the person who bought and paid for the houses decide if they want to pay for storage or enclose their garage.

Commissioner Polk asked if a release form could be signed by the home owner or added to the ordinance.

CDD Wiley stated it can be done anyway the Commission directs. He stated right now the issue is the man power to enforce the ordinance.

CA Morrison stated if the document is signed and the home owner sells, the next owner does not know about it, so again the City has no teeth to enforce.

Commissioner Polk stated the City has no teeth to enforce now.

CA Morrison stated this could rise to a code enforcement issue where fines are issued, or home owners are ordered to clean up, which day to day can cause liens. He stated historically the ordinance, as written, says the home owner has to build another garage or carport if closed in; this one gives the option to buy a shed and not build a new garage.

The roll call vote was:

Commissioner Dennison	Yes
Commissioner Christian	Yes
Commissioner Hurley	Yes
Commissioner Polk	Yes
Mayor Knowles	Yes

Five yeas, no nays, the Commission adopted the ordinance.

ADOPTED RESOLUTION 9198 AUTHORIZING EXECUTION OF AN AGREEMENT WITH GSC ENTERPRISES, INC.

Commissioner Polk introduced the resolution to be read by title only. CC Richardson read the resolution by title only, as follows:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF LEESBURG AND GSC ENTERPRISES, INC. FOR THE PURPOSE OF ESTABLISHING A RELATIONSHIP BETWEEN THE PARTIES UNDER WHICH GSC ENTERPRISES, INC. IS AUTHORIZED TO COLLECT AND REMIT TO THE CITY CUSTOMER PAYMENTS ON UTILITY ACCOUNTS, AND PROVIDING AN EFFECTIVE DATE.

Commissioner Polk moved to adopt the resolution and Commissioner Dennison seconded the motion.

Mayor Knowles requested comments from the Commission and the audience.

Commissioner Polk asked if any of these facilities are in Leesburg.

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

Finance Director (FD) Bill Spinelli stated GSC will prepare contracts with local mom and pop stores to give our residents closer options for paying their utility bills. The three locations will be in Fruitland Park, out by the mall and one here in town.

Commission Polk asked if there will be any enormous fees.

FD Spinelli stated no, it will be the same one or two dollars as Amscot charges.

The roll call vote was:

Commissioner Christian	Yes
Commissioner Hurley	Yes
Commissioner Polk	Yes
Commissioner Dennison	Yes
Mayor Knowles	Yes

Five yeas, no nays, the Commission adopted the resolution.

ADOPTED RESOLUTION 9199 ACCEPTING THE PROPOSAL OF STI INSTITUTIONAL & GOVERNMENT, INC. TO PURCHASE THE CITY'S NOT TO EXCEED \$9,000,000 ELECTRIC SYSTEM REFUNDING REVENUE NOTE

Commissioner Dennison introduced the resolution to be read by title only. CC Richardson and ICM Sharp read the resolution by title only, as follows:

A RESOLUTION OF THE CITY OF LEESBURG, FLORIDA ACCEPTING THE PROPOSAL OF STI INSTITUTIONAL & GOVERNMENT, INC. TO PURCHASE THE CITY'S NOT TO EXCEED \$9,000,000 ELECTRIC SYSTEM REFUNDING REVENUE NOTE, SERIES 2013 TO REFUND ALL OF THE CITY'S OUTSTANDING ELECTRIC SYSTEM REVENUE NOTE, SERIES 2010; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH SAID PURCHASER TO SECURE THE REPAYMENT OF SAID NOTE; PROVIDING FOR THE PAYMENT OF SUCH NOTE FROM THE NET ELECTRIC REVENUES ON PARITY WITH CERTAIN EXISTING CITY ELECTRIC SYSTEM DEBT, ALL AS PROVIDED IN THE LOAN AGREEMENT; AUTHORIZING THE PROPER OFFICIALS OF THE CITY TO DO ANY OTHER ADDITIONAL THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE EXECUTION OF THE LOAN AGREEMENT, THE NOTE, AND THE SECURITY THEREFOR; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS IN CONNECTION WITH SAID LOAN; PROVIDING FOR SEVERABILITY AND OTHER MATTERS IN REGARD THERETO; AND PROVIDING AN EFFECTIVE DATE.

Commissioner Polk moved to adopt the resolution and Commissioner Christian seconded the motion.

Mayor Knowles requested comments from the Commission and the audience.

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

Commissioner Dennison asked what exactly are any additional items deemed necessary.

ICM Sharp stated it is the necessary paperwork associated with executing the loan.

Commissioner Christian requested an explanation for the record, so the Commission and the public can understand what is going on.

Jeff Larson, City Financial Advisor, stated this is refinancing of an existing note taken out in 2010 and currently held with TD bank. It was done for a three year period where the City could borrow the money as needed. The estimated amount in 2010 was 10.4 million dollars and since that time, Mr. Larson, City staff and others have worked to decrease the size of the project to 9 million dollars. Mr. Larson stated last September, City staff issued an RFP with the banks and had one response from SunTrust Bank with a 20 year note. An option with the old TD Bank arrangement was provided to City staff for review and Mr. Larson stated by far, the best option was the 20 year term note with SunTrust Bank. He stated last December, the rate was 3.2 percent and now it is 3.04 percent; not only did SunTrust begin to work with the City, but has lowered the rate three times. Mr. Larson stated the City signing is set for June 7th, with closing on June 10th.

The roll call vote was:

Commissioner Hurley	Yes
Commissioner Polk	Yes
Commissioner Dennison	Yes
Commissioner Christian	Yes
Mayor Knowles	Yes

Five yeas, no nays, the Commission adopted the resolution.

TABLED LEASE AGREEMENT WITH BHI CENTRAL FLORIDA, LLC.

Commissioner Polk introduced the resolution to be read by title only. CC Richardson read the resolution by title only, as follows:

REQUEST TO CONSIDER A LEASE AGREEMENT WITH BHI CENTRAL FLORIDA, LLC. FOR SPACE LOCATED AT 8846, 8850, AND 8858 AIRPORT BLVD., LEESBURG INTERNATIONAL AIRPORT

Commissioner Dennison moved to discuss the issue and Commissioner Polk seconded the motion.

Mayor Knowles requested comments from the Commission and the audience.

Bart Brainerd, with Brainerd Helicopter, stated they are the parent company of FireHawk for more than thirty years and stated FireHawk's primary customer is the U.S. Forestry Service. Mr. Brainerd then asked ICM Sharp how he arrived at 10 million dollars as an estimate on the lease numbers.

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

ICM Sharp stated there were two things; 1) the proposal Brainerd presented some time back, and 2) the fair market value of the leases in the most recent appraisal received.

Mr. Brainerd stated they received the market rent analysis, performed by Airport Business Solutions at the City's request. The opinion of the appraiser was if all the leases ended tomorrow the annual rent of \$153,000 a year would be considered appropriate market value. He stated his basic assumption was since dealing in a thirty year term, if using today's rates, and multiplying it out, is a total of \$4.6 million. Mr. Brainerd asked where the difference between the 4.6 million and 10 million is.

ICM Sharp stated at the thirty year mark, his calculations said 4.6 million and at the fifty year mark the total is 10.996 million.

Mr. Brainerd stated in their opinion the market rent analysis is flawed. He stated the appraiser did not come out and survey or walk through the buildings, and most information provided was by the City. The appraiser's analysis is based on 69,000 square feet, but they are currently leasing a little over 127,000 square feet. The appraiser suggested \$3 to \$3.50 a square foot would be appropriate depending on the building condition and how they are equipped. Mr. Brainerd said they did their own informal market survey with airports of similar size, like Ocala, Palatka, Zephyrhills, and Brooksville, and came up with an average asking price of about \$2.60 a square foot for hanger rent for something owned by the airport. Mr. Brainerd stated they have six months left on one lease, eight years on another, and ten years two months on their largest airport lease. If those leases run forward, it is about \$120,000 guaranteed rent for the City as everything stands right now. If using the market rate analysis it pencils out to a total of about 3.4 million at the suggested rate. He stated as he understands it, the figures are based on just revenue, there is no cost basis included for operations or replacement, refurbishment or anything of that nature and asked if this was correct.

ICM Sharp stated this is correct.

Mr. Brainerd then presented a brief power point. Brainerd Helicopter was founded in 1973 by Chuck Brainerd and has been a tenant at the Leesburg International Airport for twenty-three years, starting in 1990 with just one helicopter and two employees. In 2013 they were awarded a local contract in the Ocala National Forest. They have grown from two employees to forty-four, with thirty-two of those based fulltime here in Leesburg. The reason asking for a lease extension is because they are looking to expand, tearing down their oldest facility to build a newer one fifty percent larger and will be hiring about ten to fifteen more employees in next few years. He stated this is why they are asking the Commission to consider voting for a lease which it has been recommended to reject.

Mr. Brainerd stated in the previous sixteen months they have been trying to work with and have had discussions with the previous and current City Managers. He stated with the arrival of Wipaire, it has brought a spot light to what is going on and what the City hopes to see with economic growth at the airport.

Derek Schroth, Attorney for Brainerd, stated the City cannot engage in economic discrimination; the FAA prohibits this. FireHawk cannot be treated any differently than a new potential commercial business. Attorney Schroth stated it is their position the City

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

should not punish an existing business as it creates economic development. He stated it is his understanding the Brainerd lease, under consideration, has a motion and second; the lease drafted by the city attorney for Wipaire and most of the terms in it, if not all, other than the names and a couple minor revisions are substantially comparable.

CA Morrison stated this is not correct as the latest Brainerd lease submitted to him has a provision quite frankly he has never seen in a lease. To the effect when the lease expires, if the tenant does not wish to renew, the tenant will have the right to sell the improvements. How can improvements be on someone else's property if the lease is sold? He stated this lease goes way farther in a number of aspects than the Wipaire lease.

Commissioner Christian stated there was a motion made but he is not sure if it was for Option #1 or Option #2. He asked if Commissioner Polk made the motion to approve the lease as presented.

Commissioner Polk asked for the motion to be re-read.

ICM Sharp stated he thinks the motion was approval which to him means approval of the staff recommendation, which is disapproval of the lease agreement. He stated he does not wish to put words in any Commissioner's mouth, but thinks this may need clarification. ICM Sharp stated he did not recommend approval of this lease agreement or any version of it and stated CA Morrison is correct, the agreement does keep changing and he is not prepared to recommend approval.

CC Richardson asked for motion to be read. DCC Purvis read "Commissioner Dennison made the motion and Commissioner Polk seconded". The motion did not mention any option specifically.

Commissioner Dennison stated she was recommending the Commission go ahead with its discussions at this time, not to accept the proposal. Commissioner Polk stated that was what his second was for.

Mayor Knowles stated the motion on the floor right now then would be to follow staff recommendations to reject this lease agreement.

CA Morrison stated what he thinks needs to happen is when Mr. Schroth and any other public comments are concluded, a Commissioner needs to move to amend the motion to something definite, whether it is to follow staff recommendations or approve the lease execution.

Attorney Schroth stated with regard to the motion, he thought the motion was to approve the lease. He stated if there is some confusion on the latest version, the Commission could certainly bring this back on another agenda.

Mayor Knowles asked Attorney Schroth if he was also asking this be rejected and postponed until another meeting.

Attorney Schroth stated yes, as they do not know what is being rejected, they would agree it be postponed until all is sorted out.

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

Commissioner Polk made a motion to table this item until the Commission receives direction from staff when the lease might be considerable and Commissioner Christian seconded the motion.

The roll call vote was:

Commissioner Polk	Yes
Commissioner Dennison	Yes
Commissioner Christian	Yes
Commissioner Hurley	Yes
Mayor Knowles	Yes

Five yeas, no nays, the Commission tabled the item.

Chuck Brainerd, owner, agrees with tabling but stated this process has been going on now for sixteen months. He stated there were some problems with the new company they formed to do the lease and their former attorney advised them it was taken care of in Tallahassee, but it was not the case and he apologized. He stated Mr. Sharp told him in front of his employees they could negotiate the lease as soon as an appraisal was completed, so they did the appraisal. He stated the appraisal is very flawed as it is based on work done by Mr. Evans' with a spread sheet which had improper numbers. Mr. Brainerd stated this appraisal came in for almost 18 cents a square foot for land lease. They are currently paying less than 12 cents so offered the City 15 cents, which is the appraised value of the land. He stated basically they want the same lease option as Wipaire. Mr. Brainerd stated they like Leesburg and want to grow here. He also expressed thanks to Mr. Dave Lewis for all he has done at the airport; it is now like a community.

Commissioner Christian stated this needs to be fair to the tax payers but also fair to Brainerd, as they have been at the airport for twenty years.

Attorney Schroth stated he will contact CA Morison on Tuesday.

Commissioner Polk stated the City has property on CR 470 it is looking to develop and has no prospective buyers bringing contracts and here is Brainerd who has been trying for sixteen months to renew their lease. Commissioner Polk stated he hopes the City is not giving out a negative attitude; it needs to work as hard as possible to keep Brainerd Helicopters or FireHawk at the airport.

Commissioner Hurley stated he will never say anyone should not pay fair market value to lease buildings; the citizens of this town desire it. He stated he wants Brainerd to stay as they are a great asset to the City and the airport.

Commissioner Christian stated the airport is an economic engine for the City of Leesburg and it needs to make sure it stays thriving and the right thing is done for all the tenants.

Commissioner Dennison stated everyone needs to realize this is not a 50 year lease at 10 or 15 cents a square foot; there are provisions in the leases for cost of living and adjustments for the entire life of the lease.

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

Mayor Knowles stated he is very pleased to sit on a neighbor's dock and watch Brainerd Helicopters dip water out of Lake Harris, as it is beautiful to see. But part of the lease is going to be old ground, new ground, different time frames and it will be put together in one basket and say it is "x" number of cents per month or year for however many years. He stated this needs to be completed and a contract given to the City attorney he can review and be brought before the Commission to vote on.

ADOPTED RESOLUTION 9200 REAPPOINTING TWO EXPIRING REGULAR MEMBERS AND TWO VACANT REGULAR MEMBERS TO THE CITY OF LEESBURG HISTORIC PRESERVATION BOARD

Commissioner Polk introduced the resolution to be read by title only.

CC Richardson stated the commission needs to vote first on the names so the Resolution can be filled in before reading.

CDD Wiley stated the board has four positions; two currently expiring and two vacant which have been applied for.

Mayor Knowles asked which two are expiring.

CDD Wiley stated John O'Kelley and Guy Ross are the current members with expiring terms and for the two vacant member positions, staff has received applications from Sanna Henderson and Joyce Hughes.

Commissioner Polk asked if there are any alternates and about term limits.

CDD Wiley stated there is one vacant alternate position and by code, the Historic Preservation Board is a three year term.

Commissioner Polk moved to approve the names as presented in the Resolution and Commissioner Christian seconded the motion.

The roll call vote was:

Commissioner Polk	Yes
Commissioner Dennison	Yes
Commissioner Christian	Yes
Commissioner Hurley	Yes
Mayor Knowles	Yes

Five yeas, no nays, the Commission approved the nominees.

CC Richardson read the resolution by title only, as follows:

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA, REAPPOINTING JOHN O’KELLEY AND GUY ROSS AS REGULAR MEMBERS AND APPOINTING SANNA HENDERSON AND JOYCE HUGHES TO TWO VACANT REGULAR POSITIONS TO THE HISTORIC PRESERVATION BOARD SAID TERMS TO EXPIRE PER EXHIBIT A, AND PROVIDING AN EFFECTIVE DATE.

Commissioner Polk moved to adopt the resolution and Commissioner Christian seconded the motion.

Mayor Knowles requested comments from the Commission and the audience.

Commissioner Polk suggested over the next few months staff should try to find some alternate members. CC Richardson stated advertisements are done from time to time for vacant spots on several committees and boards.

Commissioner Polk asked for a memo when interested people apply.

The roll call vote was:

Commissioner Dennison	Yes
Commissioner Christian	Yes
Commissioner Hurley	Yes
Commissioner Polk	Yes
Mayor Knowles	Yes

Five yeas, no nays, the Commission adopted the resolution.

INFORMATIONAL REPORTS:

Second Quarter Unaudited Financial Statements

CITY ATTORNEY ITEMS: Nothing

CITY MANAGER ITEMS:

ICM Sharp stated at a recent meeting with regards to the undergrounding contract, a motion was made to reject all bids and go back out for rebidding. Since that time Hewitt Contracting has approached the City with an offer to negotiate a three year renewal of their contract at the City’s choice of either the old pricing or bid pricing whichever is most advantageous. He stated after reviewing the transcript of that particular meeting, the motion was specific to rebid for the next fiscal year, so he brings this back to the Commission, first to the fact there is an offer from Mr. Hewitt and his firm. Secondly, at the moment the direction from the Commission was to rebid, but this is brought back for Commission consideration to determine whether or not it wishes to change the previous decision. **Mayor Knowles** asked CA Morrison if the prevailing side can bring back a motion for reconsideration. **CA Morrison** answered absolutely and he believes it was unanimous. **Commissioner Polk** asked if this was for the old pricing or for what Hewitt is doing business for right now. **Mayor Knowles** responded yes.

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

Commissioner Polk moved the City accept what he is doing now, price wise, and extend it for three years. Mayor Knowles relinquished the gavel to Mayor Pro-Tem Polk and seconded the motion.

Mayor Pro-Tem Polk asked for any comments.

Commissioner Hurley asked CA Morrison if basically what the City is doing is giving the bid to Mr. Hewitt. **CA Morrison** stated not exactly. **Mayor Knowles** stated extending his contract. **CA Morrison** stated there is no legal liability to accept Hewitt's proposal and the Commission certainly has the authority legally to extend an existing contract. **Commissioner Dennison** stated the Commission is being asked to pay an additional \$200,000. **CA Morrison** stated this was the option Mr. Hewitt gave the City; it could either accept his bid price or accept the former contract he has been operating under for preceding years. **Commissioner Dennison** asked what the difference is in the pricing. **CA Morrison** stated he is not a numbers person. **Commissioner Christian** asked ICM Sharp if he knew. **ICM Sharp** stated he does not know the numbers. **Commissioner Christian** stated he would love to say give the job to Hewitt, but once again the numbers on the contract are higher than the bid amount today. He stated to him this is a bad way for the City of Leesburg to do business; this should have been on the agenda where the Commission could read it, do research and made a good decision. He stated to just vote without any information makes him nervous and uncomfortable.

ICM Sharp stated Commissioner Christian's point is well taken. He stated the question needing answered tonight was if the Commission wished to stay with its original motion or wanted to consider Mr. Hewitt's proposal. The Commission is not voting tonight to accept it, merely to see if the direction of the Commission has changed from rebid to consider a negotiated contract. This will then come back before the Commission as a formal agenda item with real numbers and comparisons to make an informed decision. ICM Sharp apologized if this was not clear earlier. **Commissioner Hurley** stated he thinks this needs to be readdressed because he believes Commissioner Polk's motion was to extend the contract. **CA Morrison** stated this will have to come back before the Commission for approval of a written contract. Tonight is a procedural step to determine if the Commission wants to remain with its original vote to rebid the contract starting October 1st or whether to reopen the discussion to consider at least a possibility of a three year extension.

Purchasing Manager (PM) Mike Thornton stated the items in the previous contract have expired and are considerably different than the items in the current bid and suggested the Electric Department review this also. **Commissioner Polk** stated the second contract presented was thrown out, so Mr. Hewitt is looking to continue what he is doing now. **PM Thornton** said Mr. Hewitt made the offer for the City to select to continue with the previous contract, which expired September 30th, or use the items listed in the bid which the Commission cancelled.

The roll call vote was:

Commissioner Christian	No
Commissioner Hurley	Yes
Commissioner Dennison	No
Commissioner Polk	Yes

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

Mayor Knowles

Yes

Three yeas, two nays, the Commission approved negotiations with Hewitt Contracting.

ICM Sharp stated the City was recently approached by the Boys and Girls Club who find themselves without a place to hold their summer time program. The Club, who serves children in Leesburg and the immediate area, was notified last week they have to find a place to hold for their program by next Monday. Originally they had inquired the use of the gymnasium and since then it seems possible the City will be able to allow them the use of Rogers Park and the Boy Scout hut as an alternative site. **ICM Sharp** stated he would like to see if the Commission is interested and willing to go forward and work with them since time is short to make arrangements to be able to hold their summer program this year in the Rogers Park area. **Mr. Freddie Williams** stated he was recently hired as the Executive Director for the Boys and Girls Clubs of Lake and Sumter Counties and thanked the Commission. He stated they have six locations throughout Lake County and two facilities in Leesburg. He stated they had a program at the Father's House but their program numbers have been expanding in terms of the youth served and have outgrown the facility. He stated after speaking with Mr. Sharp they found the Rogers Park area may be best suited to service the needs of their many youth and would cap the numbers off at 100. **Mr. Williams** stated they are not asking for a long contract, only asking for ten weeks beginning June 10th. **Mayor Knowles** asked if they would be there all day. **Mr. Williams** stated from 7:00 a.m. until 6:00 p.m. **Commissioner Dennison** asked since this is Lake and Sumter Counties are both counties willing to pitch in what the City is going to have to pay for additional insurance. **Mr. Williams** stated they are willing to add the City as an additional insured. **CA Morrison** stated obviously there is no lease and cannot be a lease in time or use agreement of any kind by Monday. If the Commission elects to approve the proposal it would need to include authorization for **ICM Sharp** to sign without coming back before the Commission.

Commissioner Christian moved to allow the Boys and Girls Club use of the Rogers Park area for their 2013 summer program and Commissioner Dennison seconded the motion.

Commissioner Christian asked if this will also include the use of pavilion. **Commissioner Polk** asked if there are any openings at the gymnasium which could be utilized some this summer also. **ICM Sharp** stated the gymnasium was look at however, there are a number of programs which operate during the day but there may be some opportunity in the afternoons. He stated as he understands it, part of the problem is transportation to move 100 kids from one spot to another. However, both locations to have access to the pools, Dabney if at the Gymnasium or Venetian Gardens if at Rogers Park, so they may be able to work something out there as well. **Commissioner Hurley** asked if the City is going to waive the necessary fees to help the club and **Commissioner Polk** stated that is his understanding. **Commissioner Christian** stated he would add this to his motion.

The roll call vote was:

Commissioner Hurley	Yes
Commissioner Polk	Yes
Commissioner Dennison	Yes
Commissioner Christian	Yes

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

Mayor Knowles

Yes

Five years, no nays, the Commission approved the Boys and Girls Club use of Rogers Park for its 2013 summer program.

ICM Sharp stated there is a provision, in case of emergency purchases, to let the City Manager authorize such items with the provision to come before the Commission on a future agenda. He stated out on Bentley Road there is a new force main being installed and staff found some unexpected things. He stated this morning he received an estimate of corrective things at a cost of about 35 to 36 thousand dollars. **ICM Sharp** stated this exceeds his signing authority but in the interest of keeping the project going he just wanted to advise the Commission he is going to go ahead and authorize this and will bring the formal change order to the Commission at the next Commission meeting.

PUBLIC COMMENTS:

Dave Lewis, airport tenant, stated he really appreciate the struggles the City is going through on the leases. He also stated the airport has a great asset in the administration building and it is available for meetings or get activities but thinks the Boys and Girls Club may be too large.

ROLL CALL:

Commissioner Dennison stated she hopes the City will move ahead and get the issues settled at the airport as soon as possible. She thinks it is being done the right way, having the lawyers get together to make sure both the Lessor and the Lessee are protected and it is not done half hazardously. **Commissioner Dennison** stated as to contracts, she understands Leesburg used to have a contract with the High School Booster Club for concessions at the baseball stadium. She understands this contract expired and has not been renewed and would like to find out how to go about getting one renewed. **ICM Sharp** stated the contract did expire; he believes about three years ago and was never brought forward. He stated it is on his list of things to do. **Commissioner Dennison** suggested the contracts should be expanded to also include the Sleepy Hollow complex.

Commissioner Christian asked if there is any talk about looking into raising revenues for City sport programs. He asked if someone does do concessions with the kids from Leesburg, should not some of the funds go back into the programs and facilities; concessions could be way for the sport programs to raise money. Commissioner Christian stated he would like to see staff bring a recommendation on either doing an RFP for the concessions or let the current vendors handle but be required to give money back to the City. He stated he would like to see something uniform throughout all the facilities. He does not think it is fair for parents who come out and support their children to buy these high priced food items and nothing is returned to the City. **ICM Sharp** stated it is his understanding there had been a contract for Sleepy Hollow but the contractor was not performing so it faded away. **CA Morrison** stated there were two different contracts over the years with two different vendors and neither one worked out. **Commissioner Hurley** thanked not working for the City for staying to the end of tonight's meeting and commented on CA Morrison's tie.

MINUTES OF THE CITY COMMISSION MEETING HELD TUESDAY, MAY 28, 2013

Commissioner Polk stated he thinks the City needs to try and with the Boys and Girls Club as they have gone through some struggles. The club is a good ongoing thing in Leesburg and this relationship needs to continue. He stated all Commissioners received a report from ICM Sharp on the Fire Chief and the Sunnyside training facility and he had questions for the Commission to think about: 1) What did the fireman suffer from not being trained for the two years and saving the money to try to build this facility Leesburg does not need; 2) Why was the Sunnyside facility not talked about in the presentation Chief Bowman provided several weeks ago; 3) Do we, has a City, want a Department Head who puts his own wants first rather than the City's needs; 4) Should we be looking for a fire chief who has the best interest of Leesburg on his mind at all times; and 5) What kind of message does this send to our citizens?

Mayor Knowles stated he is happy Brainerd is in Leesburg and if they want to renegotiate their lease every five years for the next 100 years, it will be a challenge for economics, law and time value of money, but it is still doable. He stated he trusts CA Morrison and their attorney to come to a conclusion. The airport is an economic engine and the City needs to get some basic principles on what it wants to do there. In the long run if in our contract the buildings revert back to the City that is fairly clear; if they do not revert to the City it could be a nightmare. **Mayor Knowles** stated he is not trying to replace ICM Sharp, but heard there are one hundred candidates for the City Manager position. **ICM Sharp** stated it is one hundred and one and the consultant is reviewing to short list them now and seems quite pleased with the quality of the candidate applications received. The City is on target to have the interviews near the end of July and ICM Sharp stated he will confirm those dates with the Commissioners. **Mayor Knowles** stated the Wipaire contract is in fact a bare grounds tear down the current building lease; they are a new tenant coming to the airport. The Brainerd lease should have an aspect of a bare grounds lease because they are going to build some new buildings, but some of it is existing buildings. He stated Leesburg still wants to treat everyone fairly.

ADJOURN:

Commissioner Christian moved to adjourn the meeting. The meeting adjourned at 7:50 p.m.

Mayor

ATTEST:

Betty M. Richardson
City Clerk

J. Andi Purvis
Recorder