



AGENDA
CITY COMMISSION MEETING
COMMISSION CHAMBERS, CITY HALL
MONDAY, JUNE 09, 2014 5:30 PM

1. CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

2. PROCLAMATIONS:

3. PRESENTATIONS:

A. Recognition of Gas Director Jack Rogers for 35 years with the City

B. Present Letter of Recognition to the City of Leesburg Fire Department and Recreation Department for their participation in the Lake County Water Safety Day, May 17, 2014, by Jim Harrison, Co-Founder of Swimming for Life and member of Lake County Water Safety Task Force

4. CONSENT AGENDA:

Routine items are placed on the Consent Agenda to expedite the meeting. If the Commission/Staff wish to discuss any item, the procedure is as follows: (1) pull the item(s) from the Consent Agenda; (2) vote on remaining items with one roll call vote, (3) discuss each pulled item and vote by roll call

A. CITY COMMISSION MEETING MINUTES:

1. Meeting held May 28, 2013
2. Meeting held July 8, 2013
3. Meeting held July 22, 2013
4. Meeting held October 25, 2013
5. Meeting held November 18, 2013
6. Meeting held May 12, 2014

B. PURCHASING ITEMS:

1. Purchase request by the Gas Department for the purchase and installation of communication/data system (SCADA) upgrades at six (6) City locations for a cost not to exceed \$29,900.00.

C. RESOLUTIONS:

1. Resolution of the City Commission of the City of Leesburg, Florida authorizing the Mayor and City Clerk to execute an agreement with L7 Construction, Inc. for the Canal Street WWTF Digester Decant Piping Upgrade Project for a total amount of \$59,577.00; and providing an effective date.
2. Resolution authorizing the Leesburg Police Department to apply for and accept an Edward Byrne Grant from the U.S. Department of Justice (JAG) to supplement costs associated with the purchase of department equipment.

5. PUBLIC HEARINGS AND NON-ROUTINE ITEMS:

- A. Second reading of an ordinance amending the fiscal year 2013-14 Budget for the General, Stormwater, Capital Projects, Electric, Gas, Water, Wastewater, Communications, Solid Waste, Risk Management, Gas Tax, Building Permits and Fleet Funds for the Second Quarter.
- B. Second Reading of an ordinance adopting the amended and restated City of Leesburg Retirement Plan for General Employees, Benefit Amounts and Eligibility, Subsection 6, Early Retirement Incentive Window.
- C. First reading of an Ordinance amending Section 2-233 Code of Ordinances substantially changing the Utility Transfer Policy
- D. Purchase request by the Public Works Department (Fleet Division) for the purchase of a front loading refuse truck from Nextran Truck Center for a total cost of \$239,949.80.
- E. Resolution authorizing the Mayor and City Clerk to execute a Collocation Agreement with LifeStream Behavioral Center, Inc.
- F. Resolution authorizing connection of the White Marsh II subdivision, consisting of approximately 105 homes, to the Royal Highlands water treatment plant system.
- G. Resolution regarding the annual impact fee adjustment required by Section 22-327, City of Leesburg Code of Ordinances.
- H. Resolution authorizing the Mayor and City Clerk of execute an agreement with Government Services Group, Inc., for a Fire Services Assessment Study
- I. Florida League of Cities Delegate
- J. Resolution authorizing the Mayor and City Clerk to execute a Settlement Agreement and release between the City of Leesburg and Central Florida KFC, Inc.

6. INFORMATIONAL REPORTS:

The following reports are provided to the Commission in accordance with the Charter/Ordinances. No action required.

- A. Miscellaneous Accounts Receivable Customers with City Attorney
- B. Expected Write-offs as of April 2014
- C. Report of Receipts and Disbursements by Fund April 2014
- D. City Manager Contingency Fund

7. CITY ATTORNEY ITEMS:

8. CITY MANAGER ITEMS:

9. PUBLIC COMMENTS:

This section is reserved for members of the public to bring up matters of concern or opportunities for praise. Issues brought up will not be discussed in detail at this meeting. Issues will either be referred to the proper staff or will be scheduled for consideration at a future City Commission Meeting. Comments are limited to three minutes.

10. ROLL CALL:

11. ADJOURN:

PERSONS WITH DISABILITIES NEEDING ASSISTANCE TO PARTICIPATE IN ANY OF THESE PROCEEDINGS SHOULD CONTACT THE HUMAN RESOURCES DEPARTMENT, ADA COORDINATOR, AT 728-9740, 48 HOURS IN ADVANCE OF THE MEETING.

F.S.S. 286.0105 "If a person decides to appeal any decision made by the Commission with respect to any matter considered at this meeting, they will need a record of the proceedings, and that for such purpose they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based." The City of Leesburg does not provide this verbatim record.



AGENDA MEMORANDUM

Item No: 4.B.1.

Meeting Date: June 9, 2014

From: Mike Thornton, Purchasing Manager for
Jack Rogers, Director, Gas Department

Subject: Purchase Request from the Gas Department for \$29,900.00 to be used for upgrading SCI-TEXT data/communication (SCADA) units at six (6) City locations

Staff Recommendation:

Staff recommends approval of the purchase request for purchase and installation of six (6) SCI-TEXT data/communication (SCADA) units for \$29,900.00.

Analysis:

The Gas Department currently monitors 19 sites with two SCADA (Supervisory Control and Data Acquisition) systems. Information received is used for large customer billing, high and low pressure monitoring, and acquisition of hourly flow rate information, which helps assure the reliability of service to our customers and overall safety of the system. Fifteen sites are part of the City's master system and four are on a stand-alone gas SCADA system.

These upgrades are required in part because the transmitting units at many of the sites are no longer manufactured or supported. The upgrades will provide more reliable communication and reduce monthly costs through cellular communication as opposed to phone lines. There are currently 5 phone lines transmitting information at a cost of \$35 per month, each. These lines will be replaced with cellular technology at an approximate cost of \$12 per month. The cellular technology will also eliminate the need to replace two radio transmitters at an approximate cost of \$1,500 per unit.

The upgrade will integrate the four stand alone sites into the City's master system. This integration will provide more reliable emergency call out service and improved pressure and flow rate monitoring. The remaining site upgrades will be included in future budgets or will be performed on an individual basis should component failures occur.

This purchase is a sole source and exempt from the competitive bid process. The equipment being purchased will be compatible with existing equipment installed at City monitoring sites.

Options:

1. Approve the purchase request to Sanders Co., Inc. for \$29,900.00; or
2. Such alternative action as the Commission may deem appropriate.

Fiscal Impact:

Funds for this purchase are budgeted and available in the account listed.

Submission Date and Time: 6/6/2014 1:35 PM

<p>Department: <u>Gas Department</u> Prepared by: <u>Terry Pollard</u> Attachments: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Advertised: <input type="checkbox"/> Not Required <input checked="" type="checkbox"/> Dates: _____ Attorney Review : Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> _____ Revised 6/10/04</p>	<p>Reviewed by: Dept. Head _____ Finance Dept. <u>BLM,</u> _____ Deputy C.M. _____ Submitted by: _____ City Manager _____</p>	<p>Account No. <u>042-2081-532.5180</u> Project No. <u>428770</u> WF No. _____ Req. No. <u>46718</u> Budget <u>\$30,000.00</u> Available <u>\$30,000.00</u></p>
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AGENDA MEMORANDUM

Item No: 4.C.1.
Meeting Date: June 9, 2014
From: DC Maudlin, Public Works Director
Subject: Resolution authorizing execution of an agreement for the Canal Street WWTF Digester Decant Piping Upgrade.

Staff Recommendation:

Staff recommends award of the Invitation to Bid 140241 and execution of the agreement with L7 Construction, Inc. for the Canal Street WWTF Digester Decant Piping Upgrade for an amount not to exceed \$59,577.00.

Analysis:

This project will make improvements to the existing decant piping on the digester tanks at the Canal Street Wastewater Treatment Facility (WWTF). The changes to the decant piping and equipment will allow plant operators to more efficiently decant (remove water from the surface of the digester) which will allow them to increase the concentration of solids in the lower portions of the tanks. We expect to improve the concentration of solids from our current concentration of approximately 1.6% to approximately 2.0% solids. This is a significant improvement in digester efficiency.

Procurement Analysis:

On April 7, 2014, the Purchasing Division issued Invitation to Bid (ITB) 140241 inviting interested and qualified firms to submit sealed bids for consideration by the City. On May 6, 2014, the City received three responses. Those bids are summarized here with the detailed bid tabulation attached to the agenda memo.

Vendor Name	Location	Local Vendor	Total Bid Amount	Bid Amount Difference
L7 Construction, Inc.	Longwood, FL	NO	\$59,577.00	0%
Osprey Constructors, LLC	Newberry, FL	NO	\$61,977.00	\$2,400.00 +1.97%
Villages Construction, Inc.	Leesburg, FL	YES Tier I – 5%	\$83,505.00	\$23,928.00 +16.72%

Public Works has reviewed the bid submitted by L7 Construction, Inc. and Purchasing has verified/checked their past performance references, qualifications, and licenses. L7 Construction has submitted a responsive bid and is deemed responsible. Staff recommends awarding the bid to L7 Construction as a responsible vendor submitting the lowest cost responsive bid. Applying the

City's Local Vendor Preference policy to the bid submitted by Villages Construction, Inc. did not result in their bid amount becoming the low bid.

Options:

1. Authorize execution of the Agreement with L7 Construction, Inc. for a total amount of \$59,577.00; or
2. Such alternative action as the Commission may deem appropriate

Fiscal Impact:

The FY 14 Capital Improvement Program includes \$50,000 budgeted for this project. The additional \$9,577 is available in other budgeted capital projects.

Submission Date and Time: 6/6/2014 1:35 PM

Department: <u>Public Works/Wastewater</u> Prepared by: <u>Mike Thornton</u> Attachments: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Advertised: <input checked="" type="checkbox"/> Not Required <input type="checkbox"/> Dates: <u>April 7, 2014</u> Attorney Review : Yes <input type="checkbox"/> No <input type="checkbox"/> <u>Revised 6/10/04</u>	Reviewed by: Dept. Head _____ Finance Dept. <u>BLM</u> Deputy C.M. _____ Submitted by: _____ City Manager _____	Account No. <u>044-4099-535-63-10</u> Project No. <u>440006</u> WF No. <u>WF0811302/002</u> Req. No. <u>46568</u> Budget <u>\$50,000.00</u> Available <u>\$59,577.00</u>
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RESOLUTION NO. _____

RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AN AGREEMENT WITH L7 CONSTRUCTION, INC. FOR THE CANAL STREET WWTF DIGESTER DECANT PIPING UPGRADE PROJECT FOR A TOTAL AMOUNT OF \$59,577.00; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA:

THAT the Mayor and City Clerk are hereby authorized to execute an agreement with L7 CONSTRUCTION, INC. whose address is 2295 Spring Landing Blvd., Longwood, FL 32779 (e-mail address: blefever@L7constructs.com) for providing constructions services for the Canal Street WWTF Digester Decant Piping Upgrade pursuant to Invitation to Bid 140241.

THAT this resolution shall become effective immediately.

PASSED AND ADOPTED by the City Commission of the City of Leesburg, Florida, at a regular meeting held the 9 day of June 2014.

Mayor

ATTEST:

City Clerk



AGENDA MEMORANDUM

Item No: 4.C.2.

Meeting Date: June 9, 2014

From: William J. Chrisman, Chief of Police

Subject: Resolution authorizing the Leesburg Police Department to apply for and, if awarded, accept an Edward Byrne Grant from the U.S. Department of Justice (JAG) to supplement costs associated with the purchase of department equipment.

Staff Recommendation:

Staff recommends approval of the resolution authorizing the Police Department to apply for and accept, if awarded, a federal grant of \$13,590.00 from the 2014 Edward Byrne JAG Grant to supplement purchase costs associated with the following department equipment:

<u>Item</u>	<u>Unit Price</u>	<u>Quantity</u>	<u>Cost</u>
DVM-800 Digital Mirror Kit	\$3,945.00	3	\$11,835.00
DVM-800 Back-Up Cameras	\$175.00	3	\$525.00
Voice Vault Wireless Mic	\$365.00	2	\$730.00
DWM-800 to DVM-500 Mic Upgrade	\$495.00	1	\$495.00
Shipping	\$100.00	1	\$100.00
		Total	\$13,685.00
JAG Grant Award Amount			\$13,590.00
City of Leesburg Paid Overage			\$95.00

Analysis:

This grant will pay the cost for department equipment for law enforcement purposes: in-car video recording systems for three LPD marked patrol vehicles which currently have no system. If the grants are awarded and accepted, staff further requests approval of a single source purchase (in lieu of a competitive bid process) of the in camera systems from Digital Ally. The City has purchased the same in car systems using previous grants. Purchasing the same systems will provide for standardization among the police vehicles and allow accessories to be interchanged. By agreeing, the city assumes no additional liability or additional costs.

Deadline for application is June 10, 2014.

Options:

1. Approve the resolution authorizing the application and acceptance of a federal grant of \$13,590.00 and authorize single source purchase; or
2. Such alternative action as the Commission may deem appropriate

Fiscal Impact:

If awarded, a budget adjustment will be necessary to add this into the current budget. There is no local match required for this grant.

Submission Date and Time: 6/6/2014 1:35 PM

Department: <u>Police</u> Prepared by: <u>Lisa Carter</u> Attachments: <u>Yes</u> <u>No</u> Advertised: <u>Not Required</u> Dates: _____ Attorney Review : <u>Yes</u> <u>No</u> _____ Revised 6/10/04	Reviewed by: Dept. Head _____ Finance Dept. <u>BLM,</u> Deputy C.M. _____ Submitted by: City Manager _____	Account No. <u>001-0000-331-2100</u> Project No. <u>JA0013</u> WF No. _____ Budget _____ Available _____
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RESOLUTION _____

RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA, AUTHORIZING THE POLICE DEPARTMENT TO SUBMIT AN APPLICATION AND, IF AWARDED, ACCEPT THE EDWARD BYRNE GRANT FROM THE US DEPARTMENT OF JUSTICE FOR \$13,590.00 TO SUPPLEMENT COSTS ASSOCIATED WITH THE PURCHASE OF DEPARTMENT EQUIPMENT; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA:

THAT the Leesburg Police Department is hereby authorized to submit an application, and if awarded, accept an Edward Byrne Grant from the U.S. Department of Justice in the amount of **\$13,590.00** to supplement costs associated with the purchase of certain department equipment.

THAT this resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by the City Commission of the City of Leesburg, Florida, at a regular meeting held the ___ day of _____ 2014.

Mayor

ATTEST:

City Clerk



AGENDA MEMORANDUM

Item No: 5A.

Meeting Date: June 9, 2014

From: Brandy McDaniel, Budget Manager

Subject: Ordinance amending the fiscal year 2013-14 budget for the General, Stormwater, Capital Projects, Electric, Gas, Water, Wastewater, Communications, Solid Waste, Risk Management, Gas Tax, Building Permits and Fleet Funds for the Second Quarter

Staff Recommendation:

Staff recommends adoption of the attached ordinance amending the fiscal year 2013-14 budget for the General, Stormwater, Capital Projects, Electric, Gas, Water, Wastewater, Communications, Solid Waste, Risk Management, Gas Tax, Building Permits and Fleet Funds for the Second Quarter.

Analysis:

As established in the Budget Policy, adopted September 28, 1998, total appropriations within a fund cannot increase or decrease without formal action by the City Commission.

These budget adjustments are required due to the following changes:

General Fund (G.F.):

Establish Risk Management Fund Balance	\$ 50,987	Funding Source
Byrne Grant-In Car Systems (PD)	12,608	Fund Balance
Byrne Grant- In Car Systems & Microphone (PD)	12,957	Federal Grant
Additional Funds to Remarcite V.G. pool		Federal Grant
Transfer to Capital Projects Fund	4,071	Fund Balance
Remove JPA for Clearing Obstructions		
RW 3/31 (Airport)	(1,760)	State Grant
MPO Agreement for Pavement Mgmt (Streets)	40,509	Transfer from Gas Tax Fund
Smartgrid Project (IT)	<u>21,952</u>	Transfer from Electric Fund
Total General Fund	\$ 141,324	

Stormwater:

Establish Risk Management Fund Balance	\$ <u>2,701</u>	Funding Source
Total Stormwater	\$ 2,701	Fund Balance

Capital Projects Fund:

Realign Taxiway K (Airport)	\$ 114,701	Funding Source
Realign Taxiway K (Airport)	20,411	State Grant
Additional Funds to Remarcite V.G. pool	<u>4,071</u>	Transfer from General Fund
Total Greater Leesburg CRA	\$ 139,183	Transfer from General Fund

Electric:		Funding Source
Establish Risk Management Fund Balance	\$ 38,664	Fund Balance
Total Electric	\$ 38,664	
Gas:		Funding Source
Establish Risk Management Fund Balance	\$ 7,586	Fund Balance
Total Gas	\$ 7,586	
Water:		Funding Source
Establish Risk Management Fund Balance	\$ 18,452	Fund Balance
Total Water	\$ 18,452	
Wastewater:		Funding Source
Establish Risk Management Fund Balance	\$ 26,460	Fund Balance
Total Wastewater	\$ 26,460	
Communications:		Funding Source
Tower Repairs	\$ 9,500	Renewal & Replacement
Establish Risk Management Fund Balance	4,205	Fund Balance
Network Switches & Hardware	137,000	Renewal & Replacement
Total Communications	\$150,705	
Solid Waste:		
Establish Risk Management Fund Balance	\$ 4,306	Fund Balance
Total Solid Waste	\$ 4,306	
Risk Management:		
Establish Risk Management Fund Balance	\$158,688	Transfer from Other Funds
Total Risk Management	\$158,688	
Gas Tax:		
MPO Agreement for Pavement Mgmt		
Transfer to General Fund	\$ 40,509	Fund Balance
Total Gas Tax	\$ 40,509	
Building Permits:		
Establish Risk Management Fund Balance	\$ 559	Fund Balance
Total Building Permits	\$ 559	
Fleet Services:		
Establish Risk Management Fund Balance	\$ 4,768	Fund Balance
Eastern Lot Line Privacy Fence	9,503	Fund Balance
Total Fleet Services	\$ 14,271	

Options:

1. Adopt the attached ordinance amending ordinance amending the fiscal year 2013-14 budget for the General, Stormwater, Capital Projects, Electric, Gas, Water, Wastewater, Communications, Solid Waste, Risk Management, Gas Tax, Building Permits and Fleet Funds, or
2. Such alternative action as the Commission may deem appropriate

Fiscal Impact:

The following funds will increase as seen below:

<u>FUND</u>	<u>FY 2014 ADOPTED</u>	<u>CHANGE</u>	<u>FY 2014 AMENDED</u>
General	24,169,550	141,324	24,310,874
Stormwater	2,456,946	2,701	2,459,647
Greater Leesburg CRA	335,410	-0-	335,410
Carver Heights CRA	1,894,282	-0-	1,894,282
Hwy 441/27 CRA	867,499	-0-	867,499
Debt Service	2,559,717	-0-	2,559,717
Capital Projects	3,804,888	139,183	3,944,071
Electric	76,341,199	38,664	76,379,863
Gas	11,016,435	7,586	11,024,021
Water	12,527,406	18,452	12,545,858
Wastewater	11,673,591	26,460	11,700,051
Communications	2,121,249	150,705	2,271,954
Solid Waste	3,652,918	4,306	3,657,224
Police Pension	1,352,562	-0-	1,352,562
Fire Pension	1,464,990	-0-	1,464,990
General Employees Pension	2,700,196	-0-	2,700,196
Health Insurance	5,911,481	-0-	5,911,481
Workers' Compensation	675,847	-0-	675,847
Risk Management	678,118	158,688	836,806
Discretionary Sales Tax	1,728,893	-0-	1,728,893
Gas Tax	904,312	40,509	944,821
Police Impact Fees	-0-	-0-	-0-
Recreation Impact Fees	100,000	-0-	100,000
Building Permits	429,505	559	430,064
Police Forfeiture	3,748	-0-	3,748
Police Education Receipts	12,000	-0-	12,000
Fleet Services	<u>3,330,734</u>	<u>14,271</u>	<u>3,345,005</u>
Total	\$172,713,476	\$743,408	\$173,456,884

Submission Date and Time: 6/6/2014 1:35 PM

Department: _____ Prepared by: _____ Attachments: Yes___ No ___ Advertised: ___Not Required ___ Dates: _____ Attorney Review : Yes___ No ___ _____ Revised 6/10/04	Reviewed by: Dept. Head _____ Finance Dept. <u>BLM</u> _____ Deputy C.M. _____ Submitted by: _____ City Manager _____	Account No. _____ Project No. _____ WF No. _____ Budget _____ Available _____
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AGENDA MEMORANDUM

Item No: 5B.

Meeting Date: June 9, 2014

From: William Spinelli, Finance Director, CPA

Subject: Ordinance approving a One-Time Early Voluntary Retirement Option Consisting of a Reduction in the Early Retirement Penalty and Expanded Eligibility for Retiree Health Insurance.

STAFF RECOMMENDATION:

Staff recommends adoption of a one-time Voluntary Early Retirement Incentive Plan 2014 (VERIP) option and the amendment of Resolutions 4152 and 4846 modifying eligibility for health insurance on retirement. If this program is successful, the City Commission may want to consider this program on an annual basis.

ANALYSIS

The FY 15 Budget theme seeks building a sustainable financial future for the City of Leesburg, while providing quality services. Staff is in the process of identifying budget savings and new revenue streams toward this goal. One area in which savings can be found is the continued management of personnel costs, as these expenditures comprise 67% of General Fund expenses. A Voluntary Early Retirement Incentive Plan (VERIP) is an effective way to realize significant personnel savings, while providing a reasonable and humane inducement to reduce the size and cost of the existing workforce. By offering a VERIP for FY 15, staff anticipates a total personnel savings of \$206,849 in year one. The savings will compound to approximately \$3,400,000 in year five.

In order to offer a VERIP, staff has identified certain employee classifications that will provide savings if induced into retirement because these positions can be closed or refilled at a lower pay classification. The employees that meet these criteria are:

All regular employees that:

1. Are employed by the City in a full-time, position as of June 10, 2014;
2. Are at least fifty (50) years of age with at least twenty (20) years of service as of September 30, 2014; and
3. Resign from City employment, effective no later than September 1, 2014.

Based on these criteria, 54 employees are eligible to voluntarily retire early. However, it is not anticipated that all 54 employees will retire. Rather, management anticipates that approximately 15-25 employees will opt for VERIP.

THE VOLUNTARY EARLY RETIREMENT INCENTIVE PLAN COSTS

In order to offer a VERIP, three steps must occur. In each of these steps, the City actually has an expense. However, the expenses are ultimately offset by savings. This section of the report explains the steps that must occur to induce voluntary retirements. The fiscal impact section of the report demonstrates how these expenses return savings for the City.

1. Reduce Early Retirement Penalty - Currently, the City's general employees may retire at age 65 without penalty (excludes fire & police). However, should they choose to retire early there is a 3.33% per year, for each year prior to age 65. To encourage early voluntary retirement, staff proposes the following penalty reductions. Note that by offering these reductions, expenses increase due to the need to increase funding to the retirement plan.

Years of Credited Service at Retirement on or prior to September 1, 2014	Proposed Annual Penalty For Early Retirement	Current Annual Penalty For Early Retirement Per Year
35 or More	0%	3.33%
30 to 35	0.5%	3.33%
25 to 30	1.5%	3.33%
20 to 25	2.0%	3.33%

2. Health Insurance Eligibility – Reducing the retirement penalty is not enough incentive. Under current policy, employees are only eligible for City-paid health insurance upon the attainment of 58 years of age with a minimum of 15 years of service. At this time, the City pays a maximum of \$400 of the premium. The VERIP would pay this maximum cost at age:
 - Age 58, with 15 years of continuous service (Current City Policy)
 - Age 57, with 20 years of continuous service
 - Age 56, with 20 years of continuous service
 - Age 55, with 21 years of continuous service
 - Age 54, with 23 years of continuous service
 - Age 53, with 25 years of continuous service
 - Age 52, with 26 years of continuous service
 - Ages 50-51, with 27 years of continuous service
3. PTO – The VERIP will also require the City to pay accrued leave balances of Paid Time off (PTO). Again note that this amount will vary dependent on the employee and even after the accrual payoff, the City will still realize an overall savings.

FISCAL IMPACT – OVERALL SAVINGS:

Implementation of the VERIP will allow the City to achieve significant budget savings in both the short-term and the long-term, while also allowing for organizational restructuring. The program will result in a net cost savings to the City by (1) leaving some vacated positions unfilled indefinitely; or, (2) replacing employees in other positions with new employees who are hired at a lower salary step in the same classification, or are hired at a lower classification level.

The following analysis was prepared to show that if all potential employees who would qualify for the VERIP decide to retire, an overall savings would be realized of \$206,849 in year one. Note that this savings compounds in future years.

	Salary Savings	Pension Costs	PTO Payout	HealthCare Costs	Savings
Year 1	\$ 1,286,849	\$ 236,508	\$ 706,000	\$ 139,000	\$ 206,849
Year 2	1,248,243	236,508	-	139,000	874,243
Year 3	1,210,796	236,508	-	139,000	836,796
Year 4	1,174,472	236,508	-	139,000	800,472
Year 5	1,139,238	236,508	-	139,000	765,238
	\$ 6,059,599	\$ 1,182,540	\$ 706,000	\$ 695,000	\$ 3,483,599

This analysis was prepared with the following assumptions:

- Ø **Pension Costs-** Foster & Foster prepared the attached impact statement. Per the actuary impact statement, the City will be incurring an additional \$236,508 in pension related expenses. The City does not believe all eligible employees will be taking advantage of the early retirement incentive, so the total expense should be lower than \$236,508.
- Ø **Healthcare Costs-** If an employee takes the early retirement incentive, then the City will have to pick up \$400 a month for healthcare costs prior to the age of 58. A single year's cost will be \$139,000 if all employees take advantage of the early retirement incentive.
- Ø **Salary Costs-** In order to be consistent with the actuary pension impact study, the City evaluated the salary savings as if everyone will be taking advantage of the early retirement incentive. The majority of the employees eligible for the early retirement incentive are receiving the maximum amount in their respective salary scale. The City will be replacing the retired employees with employees who will be at the lower end of the pay scale. The City is also planning on eliminating some of the employee positions as well. The basis of the calculation involved the following factors
 1. Current employee salary and fringe benefits
Less either (2) or (3)
 2. Bottom of the pay scale, plus 10%, plus fringe benefits
 3. Position being eliminated (there are only 3 positions for calculation purposes only)

UNKNOWN

The attached data was based on the entire organization. At this time it is impossible to project how many employees will take advantage of the program. In any case, the program will provide savings to the City. Moreover, it is assumed that more senior employees with higher paying jobs will take the offer which immediately increases savings ratios for the City. Should the Commission approve the proposal, staff will return a final report to the City on the organizational savings. It is further assumed that approximately 15-25 employees will take advantage of the VERIP if offered by the City Commission.

Submission Date and Time: 6/6/2014 1:35 PM

Options:

1. Approve both the Health Care Resolution and the Pension Ordinance. (Recommended)
2. Approve Health Care Resolution and Pension Ordinance only for employees whose positions will be eliminated in the Fiscal Year 2014-15 budget.
3. Such alternative action as the Commission may deem appropriate

Department: <u>Finance</u> Prepared by: <u>William Spinelli</u> Attachments: Yes ___ No ___ Advertised: ___ Not Required ___ Dates: _____ Attorney Review : Yes ___ No ___ _____ Revised 6/10/04	Reviewed by: Dept. Head _____ Finance Dept. _____ Deputy C.M. _____ Submitted by: City Manager _____	Account No. _____ Project No. _____ WF No. _____ Budget _____ Available _____
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ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, FURTHER AMENDING THE CITY OF LEESBURG RETIREMENT PLAN FOR GENERAL EMPLOYEES, ADOPTED PURSUANT TO ORDINANCE NO. 03-57, AS SUBSEQUENTLY AMENDED; AMENDING SECTION 6, BENEFIT AMOUNTS AND ELIGIBILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA:

SECTION 1: The Ordinance No. 03-57, adopting the amended and restated City of Leesburg Retirement Plan for General Employees, as subsequently amended, is further amended to amend Section 6, Benefit Amounts and Eligibility, Subsection 6, Early Retirement Incentive Window, to read as Follows:

6. Early Retirement Incentive Window

- A. Members who are or will be eligible for early retirement as set forth in subsection 3 of this Section 6 and have or will have completed at least twenty years of service and have or will have reached the age of 50 on or before September 30, 2014 shall be deemed "Eligible Members" and may elect to receive the benefits set forth in this subsection 6., on the condition that they make a written election, delivered to the Board on or before July 1, 2014, to retire on or before September 1, 2014.
- B. Eligible Members, as determined by A. above, shall be eligible to retire on or before September 1, 2014 for all employees and receive an Early Retirement Benefit as set forth in subsection 4 of this section 6, but for purposes of determining the pension benefit, the early retirement reduction factor (ERR) provided for in subsection 4.B. (3.33%) shall be changed and applied as follows:

Years of Credited Service at Retirement on or prior to September 1, 2014	Annual ERR Factor
35 or More	0%
30 to 35	0.5%
25 to 30	1.5%
20 to 25	2.0%

Section 2: Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Leesburg.

Section 3: All Ordinances or parts of Ordinances in conflict herewith and the same are hereby repealed.

Section 4: If any section, subsection, sentence, clause, phrase of this ordinance, or the particular application thereof shall be held invalid by any court, administrative agency, or other body with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrases under application shall not be affected thereby.

Section 5: This Ordinance shall become effective upon its adoption.

PASSED AND ADOPTED by the City Commission of the City of Leesburg, Florida, at a regular meeting held the 9th day of June 2014.

Mayor

ATTEST:

City Clerk



AGENDA MEMORANDUM

Item No: 5C.
Meeting Date: June 9, 2014
From: William Spinelli, CPA
Subject: Ordinance amending Sections 2-233 Code of Ordinances substantially changing the Utility Transfer Policy

Staff Recommendation:

City Manager, Finance staff, the Financial Advisor, and all Utility Department Directors recommend adoption of the proposed Ordinance changing the Utility Fund Transfer Policy.

Analysis:

The Utility Fund Transfer Policy describes transfers of funds from all six Utility Funds: Electric, Natural Gas, Solid Waste, Communications, Water and Wastewater. For the fiscal health of the City, it is extremely important to correct the ambiguity of the policy by stating precisely how to calculate the allowable transfers.

In any fiscal year, the amount transferred from any of the various enterprise funds to the general fund as an operating transfer shall not exceed 10% of the estimated net annual operating revenues included in the adopted budget for that fund.

The proposed Ordinance states the exact operating revenues that are allowed to be used for calculating the operating transfers:

The latest fiscal year audited charges for services (from the CAFR Statement of Activities)

Less :

Franchise fees imposed by the City against itself
Regulatory Assessment Fees
Franchise fees paid to other jurisdictions
Gross Receipts Taxes paid to the State of Florida
Surcharge revenues on Electric, Gas and Water

Options:

1. Adopt the Ordinance as proposed; or,
2. Such alternative action as the Commission may deem appropriate

Fiscal Impact:

The change in policy would have caused a reduction to the General Fund transfer for the fiscal year 2015 budget by approximately \$155,000 as set forth below:

Electric	Gas	Water	Wastewater	Communications	Solid Waste	Total
\$ 5,271,689	\$ 747,951	\$ 622,265	\$ 832,108	\$ 190,885	\$ 364,561	\$ 8,029,459
\$ 5,183,657	\$ 732,727	\$ 600,721	\$ 810,612	\$ 172,901	\$ 373,782	\$ 7,874,400
\$ (88,032)	\$ (15,224)	\$ (21,544)	\$ (21,496)	\$ (17,984)	\$ 9,221	\$ (155,059)

Approval of this policy will assist the City by providing assurance that liquidity levels will be maintained for the Enterprise Funds. It will also assist in providing greater clarity and favorable outlook by the rating agencies for oversight of the City's General Fund and Utility Enterprise bond issues. Accurate definitions and specifically described exemptions from the unrestricted cash reserve prohibit manipulation in the calculation of the maximum transfer amount. The policy requires continued analysis of cash reserves in all funds and oversight when considering transfers.

Submission Date and Time: 6/6/2014 1:35 PM

Department: _____ Prepared by: _____ Attachments: Yes___ No ___ Advertised: ___Not Required ___ Dates: _____ Attorney Review : Yes___ No ___ _____ Revised 6/10/04	Reviewed by: Dept. Head _____ Finance Dept. BLM, _____ Deputy C.M. _____ Submitted by: City Manager _____	Account No. _____ Project No. _____ WF No. _____ Budget _____ Available _____
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ORDINANCE _____

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA; AMENDING SECTION 2-233 OF THE CODE OF ORDINANCES OF THE CITY OF LEESBURG, FLORIDA, ENTITLED UTILITY FUND TRANSFER POLICY; ESTABLISHING A UTILITY FUND TRANSFER POLICY FOR EACH OF ITS ENTERPRISE FUNDS; REPEALING CONFLICTING ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission, in and for the City of Leesburg, Florida, hereinafter referred to as Commission, endorses sound financial policies and practices; and

WHEREAS, the Commission has created a total of six enterprise funds to account for the following utility services: electric, natural gas, solid waste services, communication services, water and wastewater treatment; and,

WHEREAS, unlike investor owned utilities, the City is not subject to certain taxes and fees imposed by the City, including but not limited to franchise fees and property taxes; and,

WHEREAS, the City has assumed all financial risks associated with operating each of its utilities, and has done so with a goal of providing superior service at the lowest possible cost to the customer and has been able to accomplish this goal while at the same time providing additional financial support to general government functions; and

WHEREAS, the City has established a policy, for the fiscal health of its utility enterprise funds, limiting the amounts which may be transferred from these enterprise funds to the City's general fund, and

WHEREAS, the Commission desires by the means of this ordinance to amend such policy;

NOW THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA:

SECTION I.

Sections 2-233 of the Code of Ordinances of the City of Leesburg, Florida, is hereby amended to read as set forth below:

Section 2-233. Calculation of Annual Operating Transfer. There is hereby authorized, from each of the enterprise funds now or hereafter created by the Commission, an operating transfer which shall be calculated and appropriated as a part of the annual budget adoption process, subject to the following limitations:

- A. In any fiscal year, the amount transferred from any of the various enterprise funds to the general fund as an operating transfer shall not exceed 10% of the estimated operating revenues included in the adopted budget for that fund.

Should the City elect to impose a franchise fee against itself, then the maximum amount to be transferred from any of the various enterprise funds to the general fund as an operating transfer shall be calculated as 10% of the estimated operating revenues included in the adopted budget for that fund less the estimated amount of franchise fees to be paid by that fund to the general fund as included in the adopted budget.

B. The basis for calculating the operating transfers is as follows:

The latest fiscal year audited charges for services (from the CAFR Statement of Activities)

Less:

Franchise fees imposed by the City against itself

Regulatory Assessment Fees

Franchise fees paid to other jurisdictions

Gross Receipts Taxes paid to the State of Florida

Surcharge revenues on Electric, Gas and Water

In any fiscal year, the amount transferred from any of the various enterprise funds to the general fund as an operating transfer shall not exceed 10% of the amount calculated in accordance with section B above.

Section 2-234. Cost Reimbursements and Surcharge Transfers Exclusion from the Definition of Operating Transfers. For the purposes of the calculation described above, Surcharge Revenues and costs incurred by the general fund for the provision of services to the enterprise funds will be excluded from the definition of annual operating transfer.

Section 2-235. Annual Review Compliance with the provisions of this ordinance shall be reviewed as a part of the annual budget adoption process.

SECTION II

If any portion of this ordinance is declared invalid or unenforceable, then to the extent it is possible to do so without destroying the overall intent and effect of this ordinance, the portion deemed invalid or unenforceable shall be severed here from and the remainder of this ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

SECTION III

All ordinances or parts of ordinances which are in conflict with this ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinances, in which case those ordinances so affected shall be hereby repealed in their entirety.

PASSED AND ADOPTED by the City Commission of the City of Leesburg, Florida, at a regular meeting held the _____ day of _____ 2014.

Mayor

ATTEST:

City Clerk



AGENDA MEMORANDUM

Item No: 5D.
Meeting Date: June 9, 2014
From: DC Maudlin, Public Works Director
Subject: Purchase request and bid award for the purchase of a front loading refuse truck.

Staff Recommendation:

Staff recommends approval of the purchase request and bid award to Nextran Truck Center of Orlando for the purchase of a front loading refuse truck for a total amount of \$239,949.80.

Analysis:

The purpose of the solicitation is to procure a front loading refuse body and cab & chassis for the collection of commercial solid waste accounts. This new truck and body will replace the existing unit #0946, a 2003 Mack with a Heil refuse body. The unit being replaced has approximately 15,149 hours on the hour meter. The maintenance costs of the truck have steadily increased and the structural integrity of the refuse body is declining rapidly.

Replacement of this commercial front loader was approved during the FY14 budget process and included in the fleet vehicle replacement plan. The budgeted replacement cost was \$257,000.

Among the list of equipment specifications and requirements, a compaction body with a 12-yard hopper capacity is required. This requirement is mandatory in order to accommodate over-filled 10-yard commercial dumpsters. Without the extra hopper capacity, some of the contents of an overfilled 10-yard dumpster will end up on the ground. The operator must then get out of the truck and pick-up what had fallen from the top of the truck.

The Public Works Department has reviewed the bids submitted and determined the bid submitted by Nextran Truck Center to be the only bid meeting the required specifications. Specifically, the other bid received proposed equipment with a hopper capacity of 10-yards. Not meeting this specification is a major flaw as described previously in this report.

Equipment Cost and Information		
<u>Cab and Chassis (Truck)</u>	<u>Refuse Body</u>	<u>Total Cost</u>
Cost: \$138,257.80 Make: Mack Model: LEU 613 Year 2014	Cost: \$101,692.00 Make: Heil Model: Half Pack Hopper Capacity: 12-yards Body Capacity: 28-yards	\$239,949.80
Delivery: 119 calendar days or less after receipt of order.		

Procurement Analysis:

On March 17, 2014, the Purchasing Division issued Invitation to Bid (ITB) 140211 incorporating equipment specifications prepared by the Fleet Division. The bid opportunity was posted on-line at Public Purchase and a number of known dealers of this type of equipment were directly sent the ITB. On April 9, 2014, the Purchasing Division received two (2) bids.

Purchasing with concurrence from Public Works has deemed the bid submitted by Nextran Truck Center to be responsive and the vendor deemed responsible as they are regularly engaged in selling the equipment requested.

The City's Local Vendor Preference was not a factor in the bid evaluation.

Options:

1. Approve the purchase request and bid award to Nextran Truck Center of Orlando for a total amount of \$239,949.80; or
2. Such alternative action as the Commission may deem appropriate

Fiscal Impact:

The Fleet Division budgetd, and has available, in Fiscal Year 2014 budget \$257,000.00 for replacement of this equipment.

Submission Date and Time: 6/6/2014 1:35 PM

Department: <u>Public Works/Fleet Division</u> Prepared by: <u>Mike Thornton</u> Attachments: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Advertised: <input checked="" type="checkbox"/> Not Required <input type="checkbox"/> Dates: <u>March 16, 2014</u> Attorney Review : Yes <input type="checkbox"/> No <input type="checkbox"/> Revised 6/10/04	Reviewed by: Dept. Head _____ Finance Dept. _____ Deputy C.M. _____ Submitted by: City Manager _____	Account No. <u>510-5199-519.64-13</u> Project No. <u>FLEET</u> WF No. <u>WF0871186/001</u> Req. No. <u>46456</u> Budget <u>\$257,000.00</u> Available <u>\$257,000.00</u>
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AGENDA MEMORANDUM

Item No: 5E.

Meeting Date: June 9, 2014

From: Jim Lemberg – Manager, Communications Utility

Subject: Resolution authorizing execution of a Collocation Agreement with LifeStream.

Staff Recommendation:

Staff recommends approval of a resolution authorizing a Collocation Agreement with LifeStream Behavioral Center, Inc.

Analysis:

Under this agreement, LifeStream will make an 11'8" x 9'3" room in their newly constructed building near South Lake Hospital in Clermont exclusively available to the Communications Utility for placement of remote network equipment.

This site will be the Utility's principal point of network presence in southern Lake County from which customers in that geographic area will be served. A list of existing and future customers to be served from that network node is presented in the material attached to this agenda item.

The equipment placed at this site will also comprise one of the four nodes on the ten gigabit per second Ethernet ring that will form the core of the Utility's network. This ring will enable the Utility to provide highly reliable transport of data both throughout Lake County as well as between Lake County and Orlando.

In response to Commission's direction from its April 28, 2014, meeting, staff asked LifeStream to consider a lesser monthly rent amount. LifeStream agreed to lower the proposed monthly rent from \$1,200.00 to \$1,000.00.

Even that somewhat lower monthly rent appears to be excessive. Options that the Utility considered include the following:

- Lease collocation space in an existing Level 3 Communication building in Clermont. Staff explored this opportunity at length. However, Level 3 had neither available space nor available fiber infrastructure at the site. This alternative was not feasible.
- Utilize a provision in an existing agreement with Lake County Schools that allows the City to locate remote network equipment at school sites. The monthly fee stated in that agreement would be \$1000.00. The Utility would not realize any financial savings, and would not have unrestricted 24x7 access to such a site. Such a site would not provide a room exclusively

devoted to the Utility, but would rather be shared with other uses of the school. Staff deemed this alternative to be functionally inferior to the LifeStream solution.

- Identify, lease and prepare a small lot somewhere near existing Utility fiber on which to place a 12'x20' prefabricated telecommunications building (the Utility recently placed such a building next to Lake County's new Justice Center in Tavares; that building was wired into the County's electrical grid at the site which is supported by an emergency backup generator and batteries). Staff deemed this alternative to be possible but likely to consume significant staff resource. This alternative would also require \$10,000 to \$20,000 to prepare the site and another \$5,000 – \$10,000 to transport the prefab structure from Leesburg to Clermont, place it at the site and commission it. This alternative was therefore not pursued.
- Identify, qualify and lease a space in an existing building near existing Utility fiber. Staff considered this alternative, but concluded that a search for such a site would consume significant staff resource. Although this alternative was considered, it was not aggressively explored in light of the opportunity to closely participate in the design and planning of a dedicated space at the LifeStream facility.

Options:

1. Approve the resolution; or,
2. Such alternative action as the Commission may deem appropriate

Fiscal Impact:

The Utility will begin paying a monthly fee of \$1,000.00 to LifeStream upon LifeStream's receipt of a certificate of occupancy for the facility. That is anticipated to occur during June or July 2014. The Utility has adequate funds in the appropriate expense account for FY2013-14. The continuing expense will be included in budgets for future fiscal years.

Submission Date and Time: 6/6/2014 1:35 PM

Department: <u>IT/Communications</u> Prepared by: <u>Jim Lemberg</u> Attachments: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Advertised: <input type="checkbox"/> Not Required <input checked="" type="checkbox"/> Dates: <u>n/a</u> Attorney Review : Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <u>Revised 6/10/04</u>	Reviewed by: Dept. Head _____ Finance Dept. _____ Deputy C.M. _____ Submitted by: _____ City Manager _____	Account No. <u>045-5023-539.4410</u> Project No. <u>n/a</u> WF No. <u>n/a</u> Budget <u>\$92,078</u> Available <u>\$19,771</u>
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RESOLUTION NO. _____

RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE A COLLOCATION AGREEMENT WITH LIFESTREAM BEHAVIORAL CENTER, INC.; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA:

THAT the Mayor and City Clerk are hereby authorized to execute a Collocation Agreement with LIFESTREAM BEHAVIORAL CENTER, INC., whose address is PO BOX 491000, LEESBURG, FL 34749-1000, for provision of exclusive use of a room in a LifeStream facility.

THAT this resolution shall become effective immediately.

PASSED AND ADOPTED by the City Commission of the City of Leesburg, Florida, at a regular meeting held the ninth day of June 2014.

Mayor

ATTEST:

City Clerk



AGENDA MEMORANDUM

Item No: 5F.

Meeting Date: June 9, 2014

From: DC Maudlin, Public Works Director

Subject: A Resolution authorizing connection of the White Marsh II subdivision, consisting of approximately 105 homes, to the Royal Highlands water treatment plant system.

Staff Recommendation:

Staff recommends approval of a resolution allowing connection of White Marsh II subdivision to the Royal Highlands water treatment plant system.

Analysis:

The Royal Highlands Water Treatment Plant provides potable water to the Royal Highlands and White Marsh subdivisions. Royal Highlands is one of five water treatment facilities operating under the 20 year, Consumptive Use Permit (CUP) #94, issued by the St Johns River Water Management District (SJRWMD) on November 16, 2010.

One complicating factor that arose during the CUP renewal process was that withdrawals from the Royal Highlands well fields were shown to have an unacceptable impact on the Minimum Flow Levels for Lake Apshawa North and Lake Apshawa South. In order to mitigate negative impacts, CUP #94 reduced withdrawals from the Royal Highlands system in annual increments from 0.97 million gallons per day (mgd) in 2010 to 0.69 mgd in 2016-2030.

To achieve these withdrawal reductions within the Royal Highlands system it became necessary to incentivize a reduction in usage and positively influence water conservation. In July 2011 the City Commission approved an Ordinance amending water rates, increasing the top two rate tiers by factors of 2 and 3 respectively for all residential customers connected to the Royal Highlands system. The Ordinance also restricted new connections to the system, "except as may be approved by Resolution of the City Commission."

In September 2013 SJRWMD issued a modification to CUP #94 revising the Royal Highlands allocations, easing the incremental decreases and setting the 2016-2030 withdrawal allocation at 0.83 mgd. The CUP authorized 0.91 mgd withdrawal in 2013 and 0.88 mgd in 2014. Usage in 2013 was 0.69 mgd and usage in 2014 is projected to be 0.70 mgd.

Riddle-Newman Engineering, Inc., representing Highland Cassidy, LLC has submitted plans to develop approximately 105 lots adjacent to White Marsh subdivision. Access to these lots from US 27 will be through White Marsh subdivision and the lots, designated White Marsh II, are contiguous with White Marsh. The plans include connecting to existing water and wastewater service lines.

For purposes of estimating, a single family home uses approximately 300 gallons of water per day. The 105 homes will use approximately 31,500 gallons per day (0.0315 mgd). At the present time, this additional demand can be satisfied within the current CUP.

To insure current Royal Highlands and White Marsh residents are not unfavorably impacted by this additional demand on their system, the applicant will provide a connection between the Royal Highlands system and the Highland Lakes system. This will allow the City to transfer water, if necessary, from the Highland Lakes plant to offset the 31,500 gpd additional usage.

For purposes of establishing the rate structure, it is recommended White Marsh II be considered part of the Royal Highlands and White Marsh system, subject to the same rate structure.

Options:

1. Authorize connection of White Marsh II subdivision to the Royal Highlands water treatment system, or
2. Such alternative action as the Commission may deem appropriate

Fiscal Impact:

White Marsh II subdivision will be annexed into the City upon completion of a Fire Service agreement with Lake County. Once annexed the subdivision will generate approximately \$32,000 tax revenue annually. Additionally, water/sewer revenues from 105 homes in this subdivision are estimated to be \$82,000 annually.

Submission Date and Time: 6/6/2014 1:35 PM

Department: _____ Prepared by: _____ Attachments: Yes___ No ___ Advertised: ___ Not Required ___ Dates: _____ Attorney Review : Yes___ No ___ _____ Revised 6/10/04	Reviewed by: Dept. Head _____ Finance Dept. <u>BLM</u> , _____ Deputy C.M. _____ Submitted by: City Manager _____	Account No. <u>043-0000-34x-xxxx</u> Project No. _____ WF No. _____ Budget _____ Available _____
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RESOLUTION NO. _____

RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA, AUTHORIZING CONNECTION OF THE WHITE MARSH II SUBDIVISION, CONSISTING OF APPROXIMATELY 105 HOMES, TO THE ROYAL HIGHLANDS WATER TREATMENT PLANT SYSTEM; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA:

THAT the City Commission of the City of Leesburg, Florida hereby authorizes Highland Cassidy, LLC or its successor to connect approximately 105 homes within a new subdivision, designated White Marsh II, to the Royal Highlands Water Treatment Plant.

THAT for purposes of establishing water billing rates, White Marsh II will be subject to the same rate structure as Royal Highlands and White Marsh subdivisions, as it now exists or as it may be amended in the future.

THAT this resolution shall become effective immediately upon its passage and adoption according to law.

PASSED AND ADOPTED by the City Commission of the City of Leesburg, Florida, at a regular meeting held the 9th day of June, 2013.

Mayor

ATTEST:

City Clerk



AGENDA MEMORANDUM

Item No: 5G.
Meeting Date: June 9, 2014
From: Dan Miller, AICP, Senior Planner
Subject: Annual Impact Fee Adjustment per Section 22-327

Staff Recommendation:

Staff recommends that the City Commission approve the 2.9% increase in impact fees for Water, Wastewater, Police, Fire and Recreation/Parks, as stated herein.

Analysis:

In accordance with Section 22-327, City of Leesburg Code of Ordinances, the impact fee schedule is required to be reviewed and adjusted annually. The basis for this adjustment is the "20 Cities Construction Cost Index" (CCI) as maintained by the Engineering News Record magazine published in May of each year. This index reflects the change in construction costs for a one year period beginning each May and ending the same month of the following year.

Sec. 22-327. - Adjustments to water system capacity impact fee and wastewater system capacity impact fees.

On June 1 of each year after the adoption of this article, beginning on June 1, 1990, the impact fees provided for herein shall be adjusted upward, if appropriate, by the same percentage that the construction price index-20 cities average, as published in the magazine "Engineering News Record," has increased between May 1 of the year in which the adjustment is being made and May 1 of the prior year. At no time shall the impact fees be adjusted downward. (Ord. No. 89-9, § VII, 4-24-89)

For the May 2013 to May 2014 time period, the CCI increased by 2.9%. Based on this measurement and the above referenced code section;

Options:

1. Adopt revised impact fee schedule with the 2.9% increase as shown in the attached documentation.
2. Leave current impact fee schedule in place.
3. Other such action as the Commission may decide.

Fiscal Impact:

The City would receive an additional 2.9% for Water, Wastewater, Police, Fire, and Recreation/Parks impact fees. The impact fee increase for new a 2000sf single family home would be \$140.00 per home.

Submission Date and Time: 6/6/2014 1:35 PM

Department: <u>Comm Dev</u> Prepared by: <u>Dan Miller, AICP</u> Attachments: <u>Yes X</u> <u>No</u> Advertised: <u>Not Required</u> Dates: _____ Attorney Review : <u>Yes</u> <u>No</u> _____ Revised 6/10/04	Reviewed by: Dept. Head <u>BW</u> Finance Dept. <u>BLM,</u> Deputy C.M. _____ Submitted by: City Manager _____	Account No. _____ Project No. _____ WF No. _____ Budget _____ Available _____
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AGENDA MEMORANDUM

Item No: 5H

Meeting Date: June 9, 2014

From: William Spinelli, CPA- Finance Director

Subject: Resolution authorizing execution of an agreement for a Fire Services Assessment Study

Staff Recommendation:

On March 10, 2014 the City Commission Directed City staff to move forward with consideration of a supplemental funding approach for fire protection services. The City is evaluating two alternative options:

- 1) Have the County merge with the Leesburg Fire Department. Staff is currently evaluating this option, and will bring a recommendation at a future City Commission meeting.
- 2) Implement a Fire Services Assessment Study (Attached request) - Staff would like to have the City Commission approve this option, so we will be able to move forward if option 1 (above) fails. Staff will not move forward unless it is determined that the option 1 is a no go.

Analysis:

On March 10, 2014, there was a presentation held at the City Commission meeting to discuss the purpose of a fire services assessment. City staff recommends a Fire Assessment Study be done for the City of Leesburg. This study would be done to determine whether a fire assessment fee is feasible for the City of Leesburg. The study would show the demand for Fire services on the Citizens and Businesses in Leesburg, and the percentage of which could be assessed towards each of the properties. The Study would be done in 2 phases.

The first phase would be to gather the data as far as what the demand on services has been for the last three years, the Fire Department budget for the last three years, and the future needs of the Fire Department based on the Department's Five Year Plan, (equipment needs, personnel needs and facility needs).

The second phase would be the implementation of the data, and the information gathering to determine who, what and how much to assess the residents and businesses of the City. This phase would also be useful to the City, and it would ensure that our land files and the property appraiser information are in sync.

The City is looking for Government Services Group, Inc (GSG) to provide prompt, fully researched and documented answers to the following questions:

- 1) How should the City apportion the fire Services Assessment to each type of property- residential, commercial, agricultural, industrial/warehouse, institutional, government, hotels/motels, mobile home parks, hospitals, recreational vehicle parks, vacant and any other type of assessable property
- 2) Which expenditures of the Fire Rescue Department can be assessed as a special non-ad valorem assessment against real property in the City of Leesburg.

Procurement Analysis:

Staff requests City Commission waive a competitive Request for Proposal (RFP) solicitation for these professional services and enter into an agreement with GSG. The work required under this study must adhere to a strict timeline in order to meet required implementation milestones should the City choose to move forward with a Fire Assessment Fee. Issuance of a formal RFP would delay the start date by approximately 3 months. Additionally the base professional fee of the Phase I Services does not exceed the \$25,000 threshold of a formal solicitation. The additional administrative costs for mailing and other data processing may put the total cost of Phase I Services over \$25,000.00 by a small amount.

GSG is regularly engaged in providing these services to other public agencies and is qualified. GSG holds current contracts for similar services with many other government agencies.

Options:

1. Approve execution of the Agreement with Government Services Group, Inc. for Phase I Services of \$22,500.00 and minor additional administrative costs related to Phase I Services; or
2. Such alternative action as the Commission may deem appropriate

Fiscal Impact:

The initial phase of this study would cost \$22,500. The second phase, if the Commission decides to go forward, would be \$9,500, for a total of \$32,000 plus additional administrative costs. Since this was not budgeted, a budget adjustment will be necessary to use funds from the General Fund fund balance.

Submission Date and Time: 6/6/2014 1:35 PM

Department: _____ Prepared by: _____ Attachments: Yes___ No ___ Advertised: ___ Not Required ___ Dates: _____ Attorney Review : Yes___ No ___ _____ Revised 6/10/04	Reviewed by: Dept. Head _____ Finance Dept. <u>BLM</u> _____ Deputy C.M. _____ Submitted by: City Manager _____	Account No. <u>001-1295-589-3410</u> _____ Project No. _____ WF No. _____ Budget _____ Available _____
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RESOLUTION NO. _____

RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA, AUTHORIZING AND DIRECTING THE MAYOR AND CITY CLERK TO EXECUTE A CONTRACT BETWEEN THE CITY OF LEESBURG AND GOVERNMENT SERVICES GROUP, INC. FOR THE PURPOSE OF CONDUCTING A STUDY AND EVALUATION OF THE POTENTIAL TO IMPOSE A NON - AD VALOREM ASSESSMENT TO FUND FIRE SERVICES WITHIN THE CITY OF LEESBURG, TO INCLUDE RECOMMENDATIONS FOR THE AMOUNT OF SUCH AN ASSESSMENT AND THE METHODOLOGY OF IMPOSING AND COLLECTING SUCH, AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA:

THAT the Mayor and City Clerk are hereby authorized to execute an Agreement with Government Services Group, Inc., to provide professional services for the purpose of conducting a study and evaluation of the potential to impose a non-ad valorem assessment to fund fire services within the City of Leesburg.

THIS RESOLUTION shall take effect upon its passage and adoption according to law.

PASSED AND ADOPTED at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 9th day of June, 2014.

THE CITY OF LEESBURG, FLORIDA

BY: _____
JOHN CHRISTIAN, Mayor

Attest: _____
BETTY RICHARDSON, City Clerk



AGENDA MEMORANDUM

Item No: 5I.
Meeting Date: June 9, 2014
From: Al Minner, City Manager
Subject: Florida League of Cities Delegate

Analysis:

The Florida League of Cities Annual Conference will be held at the Westin Diplomat in Hollywood on August 14-16. This conference provides valuable educational opportunities to help Florida's city officials serve their citizenry more effectively. Each municipality designates one person to be its voting delegate. Election of League leadership and adoption of resolutions are undertaken during the business meeting at the conference. The voting delegate from each municipality will make decisions that determine the direction of the League.

At the organizational meeting in January, Commissioner Elise Dennison was chosen as Leesburg's representative to the League of Cities. Commission David Knowles was selected as the alternate. However, the Commission may appoint any one of the five members to serve as the official voting delegate.

Options:

1. Appoint voting delegate for the Florida League of Cities Annual Conference; or
2. Such alternative action as the Commission may deem appropriate

Fiscal Impact:

None

Submission Date and Time: 6/6/2014 1:35 PM

Department: <u>Administration</u> Prepared by: <u>Al Minner</u> Attachments: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Advertised: <input type="checkbox"/> Not Required <input checked="" type="checkbox"/> Dates: _____ Attorney Review : Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> _____ Revised 6/10/04	Reviewed by: Dept. Head _____ Finance Dept. _____ Deputy C.M. _____ Submitted by: City Manager _____	Account No. <u>N/A</u> Project No. _____ WF No. _____ Budget _____ Available _____
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AGENDA MEMORANDUM

Item No: 5J.
Meeting Date: June 9, 2014
From: William Spinelli, CPA – Finance Director
Subject: Resolution authorizing the execution of a settlement agreement with Central Florida KFC, Inc.

Staff Recommendation:

City staff recommends approval of a Settlement Agreement with Central Florida, KFC, Inc.

Analysis:

The City had provided Central Florida, KFC electric utility services from 1999-2012. It has come to the attention of the parties that KFC has been overcharged for those services since inception. The error was due to the following situation:

- In 1989 the City installed two electric meters for KFC and Wendy's in front of Lake Square Mall. It appears the meters were crossed and they have been this way since 1989. Basically, KFC electric meter was monitoring Wendy's electric utility usage, and Wendy's electric meter was monitoring KFC's electric utility usage. The City had changed the electric utility meters a couple of times since 1989. Neither the City nor the restaurants realized what was going on until KFC officially closed in 2012. The next month after the close KFC received a full month's electric utility bill.

As a result of the error the parties have entered into negotiations for the amount owed and the terms of the settlement. The agreement further states that under the terms of the agreement, no further claims will be asserted by KFC against the City for any sum paid by KFC prior to the date of this Settlement Agreement.

The City's Attorney will be moving forward with negotiations with Wendy's in order to recoup the losses from KFC.

Options:

1. Approve the \$65,000 settlement agreement with Central Florida KFC, Inc.
2. Such alternative action as the Commission may deem appropriate

Fiscal Impact:

The City has sufficient funds to cover the \$65,000 out of the FY 2014 budget.

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RESOLUTION NO. _____

RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA, AUTHORIZING AND DIRECTING THE MAYOR AND CITY CLERK TO EXECUTE A SETTLEMENT AGREEMENT AND RELEASE BETWEEN THE CITY OF LEESBURG AND CENTRAL FLORIDA KFC, INC. FOR THE PURPOSE OF RESOLVING A UTILITY BILLING ERROR WHICH RESULTED IN CENTRAL FLORIDA KFC, INC. PAYING TO THE CITY OF LEESBURG AMOUNTS IN EXCESS OF WHAT SHOULD HAVE BEEN PAID OVER A PERIOD OF APPROXIMATELY FOURTEEN YEARS, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Leesburg, Florida, provides electrical utility services to its customers and bills those customers based on metered usage of electricity, and

WHEREAS, one of those utility customers was Central Florida KFC, Inc., for its Kentucky Fried Chicken location at Lake Square Mall, and

WHEREAS, as a result of a mix-up in metering the usage of this customer, the customer overpaid the City for electrical utility service over a period of approximately 14 years, resulting in a total overpayment of at least \$75,000.00 which, with allowable prejudgment interest, would have amounted to over \$100,000.00 if the parties litigated the dispute, and

WHEREAS, through negotiation the customer is willing to accept the lesser amount of \$65,000.00, in full satisfaction of the overpayment and to execute a release in favor of the City, and

WHEREAS, it is in the best interests of the City of Leesburg to resolve the dispute by paying this lesser amount, without incurring the expense of litigation and the possible award of a much higher sum to the customer by the courts,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA:

THAT the Mayor and City Clerk are hereby authorized and directed to execute a Settlement Agreement and Release between the City of Leesburg and Central Florida KFC, Inc., in the form approved by the City Attorney, for the purpose of resolving a utility billing error which resulted in Central Florida KFC, Inc. paying to the City of Leesburg amounts in excess of what should have been paid over a period of approximately fourteen years, and the City Manager and Finance Director are authorized to pay to this utility customer the sum of \$65,000.00 in full settlement of the claim for overpayment of its utility account.

THIS RESOLUTION shall take effect upon its passage and adoption according to law.

PASSED AND ADOPTED by the City Commission of the City of Leesburg, Florida, at the regular meeting held the 9th day of June 2014.

THE CITY OF LEESBURG, FLORIDA

Mayor

ATTEST:

City Clerk