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**CITY OF BELLEVIEW  
REGULAR COMMISSION MEETING  
MINUTES**

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**BELLEVIEW CITY HALL  
COMMISSION CHAMBERS**

**May 18, 2004  
7:00 PM**

Mayor STEVE BAIRSTOW  
Seat 1 EMERY ABSHER  
Seat 2 KENNETH R. NADEAU  
Seat 3 PAULA CHAFFIN  
Seat 4 PAUL ANDERSON

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PRESENT: MAYOR BAIRSTOW; COMMISSIONERS: ANDERSON, NADEAU;  
ATTORNEY LANDT, CHIEF STRICKLAND; PUBLIC WORKS DIRECTOR  
MONROE; INFORMATION TECH. TOWNE; CITY  
CLERK/ADMINISTRATOR McKAMEY, LAND/CODE SPECIALIST  
PITTSLEY

ABSENT: COMMISSIONERS: CHAFFIN; DEPUTY CITY CLERK DeGENNARO

LATE: COMMISSIONER ABSHER

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**1. APPROVAL OF MINUTES**

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03/24/04 WORKSHOP MEETING  
04/14/04 WORKSHOP MEETING  
04/20/04 COMMISSION MEETING  
05/04/04 COMMISSION MEETING

**Commissioner Nadeau made a Motion to Approve the minutes and Commissioner Anderson seconded the Motion.**

**On roll call vote, YES: Nadeau, Anderson, Bairstow**

The Motion passed with a 3-0 vote.

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**2. FINAL READING: ORDINANCE 2004-10 EXEMPT SIGNS**

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Mayor Bairstow stated this is a Public Hearing and Clerk McKamey read Final Reading, Title Only, of Ordinance 2004-10 Exempt Signs.

Mayor Bairstow asked if anyone in the audience who was opposed or in favor of the proposed Ordinance wanted to come forward. No one came forward. Clerk McKamey gave a brief update on the Ordinance.

**Commissioner Nadeau made a Motion to Approve Ordinance 2004-10 and Commissioner Anderson seconded the Motion.**

**On roll call vote, YES: Nadeau, Anderson, Bairstow**

The Motion passed with a 3-0 vote.

**3. FIRST READING: COOPER COMPREHENSIVE PLAN AMENDMENT**

Mayor Bairstow stated this is a Public Hearing and Clerk McKamey read First Reading, Title Only, of Ordinance 2004-12.

Mayor Bairstow asked if anyone in the audience who was opposed or in favor of the proposed Ordinance wanted to come forward. No one came forward. Clerk McKamey gave a brief update on the Ordinance.

**Commissioner Nadeau made a Motion to Approve Ordinance 2004-12**

Commissioner Anderson asked about the traffic on 55<sup>th</sup> Ave Road. The Clerk stated that according to the standards in the County there would be more floor area than if they develop in the COB. So actually, the trips are reduced when they develop in the City (4500 trips per day) as compared to the County (6300 trips per day).

The Clerk stated that the adjacent property is zoned B-2 and used for residential. The Clerk stated that you can have a current use which is in conflict with the actual zoning. The zoning actually allows for a business on that piece of property, but there just happens to be a house there and the property is already zoned commercial in the County. Commissioner Nadeau stated then it makes sense to zone this property as B-2 because it is one lot down from Walgreen, a retail store, and the Clerk stated the property directly above it is also B-2. Commissioner Nadeau stated that Mr. Cooper stated he would be willing to use the road to open up another avenue for traffic to go back to 110th. Commissioner Anderson asked if the road could be opened or if there was something on that parcel. Mr. B. J. Cooper (owner) came forward and stated that there is nothing on Easton Avenue.

Clerk McKamey stated that if you look at the map you have commercial property coming down and Mr. Cooper was attempting to make it compatible with the property above it which is the Counsell property. Commissioner Nadeau asked what the zoning of that property was and the Clerk stated B-2 and that the City would be consistent on that side of the road.

Mayor Bairstow stated that we are not deciding tonight where the cut off for commercial would be. The Clerk stated it was currently B-2 in the County and if you look at the charts the top shows how it could be developed in the County and the bottom shows the maximum development in the City which shows that they can develop to a lessor density in the City.

**Commissioner Abshier entered the meeting at this time.**

**and Commissioner Abshier seconded the Motion.**

**On roll call vote, YES: Nadeau, Anderson, Abshier, Bairstow**

The Motion passed with a 4-0 vote.

#### **4. BACK TO SCHOOL PROGRAM**

Rev. Ronald Evans came before the Commission to request using Lake Lillian on August 7, 2004 for a back to school program to distribute 200 school-ready backpacks to needy children. Rev. Evans stated that he hoped this would become an annual event in the community.

**Commissioner Nadeau made a Motion to Approve the Request and Commissioner Abshier seconded the Motion.**

**On roll call vote, YES: Nadeau, Anderson, Abshier, Bairstow**

The Motion passed with a 4-0 vote.

#### **5. TOPS**

Ms. Carol Breard, stated that TOPS is a nonprofit organization and they were asking for permission to use the Commission room for their weekly meetings on Thursday night.

Mayor Bairstow stated he was opposed to groups using the room because of the wear and tear on the Commission Chambers. The more groups who use the Chambers for regularly scheduled meetings means the more people the City has to put out when the City has to use the room. The Mayor stated that he would vote against the request if a motion was made.

**Request failed for lack of a Motion**

#### **6. ALL CREATURES SANCTUARY**

Ms. Tish Hennessey, Founder of All Creatures Sanctuary, came forward and gave her report on the duck gathering to the Commission. Ms. Hennessey stated that her organization calls the duck gathering "Belleview's 101 Exotic ducks." Ms. Hennessey stated that her group has been involved with relocating the ducks since 1995 and they took in over 300 ducks in one year alone.

Ms. Hennessey stated that they had 3 phases: the first phase ran from February 1<sup>st</sup> to the end of March and during this phase they lured 35 ducks into the cages. During phase two, 15 muscovys, 2 moms and 4 babies. At the end of phase two, the ducks left at the Lake consisted of 7 muscovys, 3 wood ducks (which are protected) and 3 mallards. Phase three medication was used and we could not get any of the muscovys ducks. Our total collection of ducks was 94 with 7 ducks left and we have worked for three and a half months, but you would have to euthanize the remaining ducks. You have three males and four females left at the Lake and we would commit to continue going in there and removing the ducklings so that there are no more population.

Mayor Bairstow asked if the Commissioners or staff had any comments or recommendations.

Commissioner Nadeau asked if there were any alligators living at the Lake and Ms. Hennessey stated actually there are two, Ike and Mike, the largest one being 4 foot. Chief Strickland stated that the Fish and Game Officers will not remove the alligators until they are a certain length, but they are aware of the alligators.

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PWD Monroe stated we still have 7 ducks at the Lake so if we control the duckling population and keep it from exploding, then it is worth a try.

Commissioner Abshier stated that some of the residents in that area would like the ducks removed and asked if Ms. Hennessey has asked those residents to put traps on their property. Ms. Hennessey stated that the ducks that are still at the Lake will not go into any type of trap and maybe in several months after the ducks have relaxed a bit, we could try again.

Commissioner Abshier asked would the City continue to pay as the ducklings are removed and Ms. Hennessey stated she would accept a donation as they are captured. The Commissioner asked if she was requesting that the City buy the items that were on the request list and Ms. Hennessey stated yes, that all those items were purchased only to capture the Lake Lillian ducks.

Commissioner Nadeau asked if the City had already reimbursed All Creatures Sanctuary the \$703.95 and the Clerk stated no. The Commissioner asked are we supposed to reimburse the Sanctuary and the Clerk and the Mayor responded in the affirmative.

**Commissioner Nadeau made a Motion to pay the expenses of \$703.95**

Ms. Hennessey stated that her contract reads "If all ducks have not been relocated by that date (May 1, 2004), the placement fee will be five dollars (\$5.00) per relocated duck.

Commissioner Anderson stated that the figures presented by Ms. Hennessey were added wrong. Mayor Bairstow stated what does the City owe and Ms. Hennessey stated the City owes her \$703.95, plus \$5.00 per duck that was relocated. The Clerk stated the total amount the City owes to the Sanctuary is \$1,218.95

Commissioner Nadeau stated he would change his Motion since there was not a second to his Motion.

**Commissioner Nadeau changed the Motion to pay the expenses of \$1,218.95 per the Contract signed with the City and the funds to come out of Fund Balance**

Commissioner Anderson stated to Commissioner Nadeau that if he changed the Motion for the funds to come out of the Lake Lillian maintenance he would second the Motion.

**Commissioner Nadeau changed his Motion for the funds to come out of Park Maintenance specifically for Lake Lillian's maintenance and Commissioner Anderson seconded the Motion**

**On roll call vote, YES: Nadeau, Anderson, Abshier, Bairstow**

The Motion passed with a 4-0 vote.

**7. PROCLAMATION - CODE ENFORCEMENT OFFICERS' APPRECIATION WEEK**

Clerk McKamey read the Proclamation and Mayor Bairstow declared the week of June 7 to June 11, 2004 as Code Enforcement Officers' Appreciation Week in the City of Belleview.

Ms. Pittsley, the COB's Code Enforcement Officer, thanked everyone and accepted the proclamation.

**8. COUNTY FIRE/EMS PROPOSALS**

Ms. Janet Tutt, Deputy County Administrator, Marion County Board of County Commissioners, came forward and stated on behalf of the County Commissioners and staff she thanked the Commission for giving her the opportunity to discuss the Ordinances that were sent to the Commission. She stated that Commissioner Kesselring was not able to attend because of a scheduling conflict, but she brought with her County Administrator, Patrick Howard, and also Marion County Fire Rescue Fire Chief, Stuart McElhaney.

The first Ordinance pertains to emergency medical services the County has been funding fire services through MSTU which provide services to County and municipal residents. They hired a consultant and their report determined that 6% of the County's budget went to advanced life support. In addition, it was determined that the County could not pass that assessment to not-for-profit entities and could not take the funds from MSTU; it had to come from ad valorem revenue. Last year that .4 mills was pulled from the County wide millage. During this current fiscal year, you received a reduction in your millage rate by .4 mills because it was too late to put it into effect. However, this year we need to have an Ordinance passed that would allow us to collect that ad valorem millage within the cities of Belleview, Reddick and McIntosh and that is why we are here to make up for some of the lost revenues. Last year if you lived in the County it was separated out on the tax bills as a separate line item.

Commissioner Abshier asked Ms. Tutt to give an example of what advanced life support actually is. Fire Chief McElhaney came forward and stated that there is a big difference between what an emergency medical technician (EMT) can do which is basic life support compared to what a paramedic can do which is advanced life support. A paramedic is basically an extension of the emergency room and can do invasive procedures, administer drugs, intravenous because they have the same equipment as the emergency room with them; the EMT can only do CPR, patient assessment and bandaging. The difference is in the training, equipment and salary and that is where the 6% comes from.

Commissioner Abshier asked if the COB should be worried about the fire department relocating outside of the City and the Fire Chief stated absolutely not and you have a proposal floating around and we want to be here in Belleview.

Commissioner Anderson stated that the millage for the emergency medical services could go up .5% and Ms. Tutt stated last year it was .4 and this year it will be .5 for the emergency medical services. Commissioner Anderson asked if there would be an accountability report showing where the funds are going and what the COB is paying for. The Commissioner asked when, would the COB know what the millage would be so we can inform the citizens and include this

on the COB budget. Ms. Tutt stated that she was not sure of the answer to the first question, but the millage would be handled as part of the regular budget process with the County Commission. The preliminary budget report would go before the Board of Commissioners in June and we could provide that information to you annually each June. The Commissioner stated that would be sufficient because then the Commissioners would know what taxes are going up when we work on our budget.

Ms. Tutt stated that the second item is because the costs of ambulance service which is working as a cooperative effort between the hospitals, cities and the County keeps increasing and the hospitals are paying half of the short fall and the government agencies are paying the other half of the short fall. Marion County paid the first years projected budget which was 2.755 million. After the first year, the City of Ocala will be paying a proportional share of that 2.755 million based on assessed value of the property in the City when the agreement was entered into - which was 29% of all assessed value that the Countywide ad valorem revenues were based on; 71% would be funded through Marion County. The coming year, Ocala will pay their portion; the County will pay their portion based on all the rest of the County, minus the City of Ocala and now the City of Dunnellon which is also participating. The end result is that there would be no tax increase by enacting this ordinance, but there would be a separate line added on the tax bill for the emergency services.

Mayor Bairstow stated that if both ordinances are passed the impact on a citizen with real property in the City limits is projected to be .4 mills, but would not exceed .5 mills. The Mayor asked if neither ordinances were passed, what would the impact be on the residents. Ms. Tutt stated there would have to be some type of payment from the citizens to provide the full package of fire service at that level and also ambulance service. It would have to be paid some how from the city government or services would not be provided.

Commissioner Anderson stated in Ordinance 03-28, #18, in the past if there was a special event scheduled the City could call for ambulance service to be standing by at no cost, how can we get back to that same service.

County Administrator Howard stated to do this we would have to put extra people on so there would be a cost put onto the school, government, etc. Commissioner Anderson stated he would like to talk to whomever is over this and County Howard stated he would like that individual to come down to the COB and introduce himself.

Commissioner Anderson asked Ms. Tutt to clarify Section 8 and Ms. Tutt stated that the tax collector and property appraisers are both eligible to receive payments of actual costs out of the revenues that are received because of the special assessment; this is a handling fee.

The County Administrator stated that Marion County is the only County in the State of Florida where the County is not paying the entire subsidy. Administrator Howard stated that he visited the COB fire station which is the busiest station in the County and the County is proud of this fire department. Administrator Howard stated that the County is looking forward to working with the COB on finding a new location for the fire department and it is a very professional organization. Mayor Bairstow agreed with the County Administrator analysis of the fire department.

Clerk McKamey stated that she would need a motion to go ahead and prepare the drafts for first reading.

**Commissioner Abshier made a Motion to prepare the Ordinance drafts for first reading and Commissioner Nadeau seconded the Motion**

**On roll call vote, YES: Nadeau, Anderson, Abshier, Bairstow**

The Motion passed with a 4-0 vote.

**9. GREG SLAY MPO - INTERLOCAL AGREEMENT**

Greg Slay, MPO, came forward and stated that the purpose for his being here tonight was to present the Interlocal Agreement. The single change was the name and once it is approved by all parties it would be known as "Ocala, Marion County Transportation Planning Organization" and that would in order to identify the primary mission which is transportation.

Pg. 5, the non-voting representation DOT District V Secretary has been added. In the past, we had to communicate with lower level staff members and having the Secretary to deal with would give the Board direct interaction with a top management level person who could make decisions on behalf of the department.

Mayor Bairstow stated could it be changed to Belleview, Dunnellon, Ocala, and Marion County. Mr. Slay stated that they discussed that, but decided to leave it as is. Mayor Bairstow stated it is not a trivial point, the title states transportation for Marion County. Mr. Slay stated the cities are listed on the letterhead. Mayor Bairstow stated then make it Marion County transportation or BDO Marion County or Belleview Transportation County Organization.

Commissioner Abshier asked if the name could be changed and Mr. Slay stated he would have to bring it back to the MPO and present the issue of a formal name change. Commissioner Abshier stated he did not see any reason why it could not be brought up at an MPO meeting for consideration. Commissioner Nadeau stated there has not been much transportation planning done in this area considering the grid-lock situation that exist. Commissioner Abshier stated that there has been transportation planning, but it is not at the point we would like to see. The Commissioner stated that Mr. Slay has been instrumental in getting things done in our area.

Commissioner Abshier asked Mr. Slay about the Belleview Bypass Road and Mr. Slay stated that the Belleview Bypass is listed as a top project for next year. The projects are getting so expensive to build out that they are taking longer to be completed. The Hames Road improvements are coming up in two years and Highway 484 South and Highway 441 will come on line in 2007-08 is a \$70 million project for just those two sections of the roadway. Mr. Slay stated that they had talked about better coordinating the traffic signals in order to improve the traffic flow which would costs around \$5 million.

Commissioner Abshier stated to Commissioner Nadeau that he did not know of any other alternative routes for the Belleview area. The Commissioner stated that Mr. Slay won't say it, but he would - there would not be a six-lane road going down the center part of town because of the

cost. Commissioner Abshier stated that the Bypass is number two on the County's schedule; the shortcut from Baseline Road has been completed as has 93<sup>rd</sup> street. Mr. Slay stated that it is getting harder and harder to make improvements to the traffic flow and Commissioner Nadeau stated that projects have been approved that build the City out and cause havoc, instead of road extensions which are needed to accommodate the growth of the City.

Commissioner Anderson stated the expansions of the roadway, i.e. the traffic going south and the subdivisions are being built are 6 lanes, but then it becomes a four lane highway in Bellevue. The word regarding projects for expansion is not reaching us. Mr. Slay stated that the State Road 200 was started in 1996 and was just finished last year; projects are now taking 18 years to finish.

Commissioner Anderson stated that there are impact fees being paid for new roads, but he has only seen one new road in South Marion County, Bellevue Access/Shortcut Road and does not know if the 6 lanes on 441 below Bellevue was built with those monies. The Commissioner stated he has not seen any plans to buy land for right-of-ways. Mr. Slay stated that the County is trying to buy some right-of-way, but in the last ten years construction cost have gone up; a three mile section costs \$3 million for the right-of-way; \$10 million for construction and the 3 mile right-of-way acquisition.

Commissioner Anderson stated he would like to see the representative membership go from a 5-5-1-1 to 4-4-2-2 to let the smaller cities have more votes for our projects. Commissioner Abshier stated that in the 6 to 8 years, he has never been turned down on any item he has worked on. The impacts are split by quadrants and if there is any issue that the Mayor or Commissioners want pushed to let him know. Commissioner Anderson asked what is wrong with changing the membership and Mr. Slay stated he would have to take that back to the Governor's office. Commissioner Abshier stated that the MPO could do that, but they are not going to give up their seats.

Mayor Bairstow asked if there were any other requests for Mr. Slay to take back to the MPO. The requests were:

1. Voter representation
2. To Change the Name of the Interlocal Agreement

#### **10. JOINT PARTICIPATION AGREEMENT FOR 441 SIDEWALKS**

PWD Monroe stated that this is the joint participation agreement from DOT to put sidewalks on the west side of 441 from 55<sup>th</sup> Ave Road to 100<sup>th</sup> Street. The Attorney has looked at the agreement and we are here to ask for the Commission to give its approval to move forward with the project.

Commissioner Anderson asked what advantage would the City get from undertaking this project and being in charge of the project. PWD stated that the City would be able to get the project done quicker and that this is one of the projects that Mr. Slay discussed. PWD stated that there are also time limitations on this money. Commissioner Abshier stated that the City needs to move

this project along because if we do not use this money it will be used elsewhere. The Commissioner stated that he had a question on the contingency money where it comes from. \$296,000 was allocated and on Exhibit "C" it states an additional \$46,792. PWD stated that \$46,792 is contingency stuff. Exhibit "C" is not to exceed \$250,000 the cost estimate was \$296,000. Attorney Landt stated the exhibit needs to be changed to match the contract. The original budget was \$250,000, you need to revise the words to match the contract.

Commissioner Anderson asked what the cost to the City would be and Commissioner Abshier stated no capital dollars would be spent by the City, but there would be staff time to bid it out. Mr. Slay stated that they were trying to get sidewalks by Belleview High School and Belleview Elementary School and this would be part of that network. Commissioner Anderson stated that the problem is the City would be responsible for a half million dollar project and if a date is missed the City would be responsible for the project. Commissioner Nadeau stated if the City is going to do the work, it should get some type of compensation for its time. Mr. Slay stated that these particular monies by State Statute cannot reimburse local governments for personnel costs.

**Commissioner Abshier made a Motion to adopt the Agreement and Commissioner Nadeau seconded the Motion**

Attorney Landt stated that you need to state that the City would enter the contract as long as the cost estimate and contract amounts are the same. Mr. Slay stated that the City could make the modification to Exhibit "C" when it sends back the signed Agreement.

**Commissioner Nadeau Amended the Motion to approve the contract if the price agrees with the cost estimate and Commissioner Abshier seconded the Amendment to the Motion**

Mayor Bairstow stated to call the vote on the Motion to Amend:

**On roll call vote, YES: Nadeau, Abshier, Bairstow**  
**NO: Anderson**

The Motion passed with a 3-1 vote.

Mayor Bairstow stated to call the vote on the primary Motion. Commissioner Anderson asked what date the construction would begin. PWD stated he was waiting on the plans from DOT and then he would prepare the bid documents and then he would have 24 months from the signing of the agreement to finish the project. Commissioner Anderson asked if PWD had any fears about the project going on at the same time as the sewer plant project. PWD stated he had no fear as long as the staff that were requested in his Long Range Plans were granted because last year two positions were eliminated from his budget.

Commissioner Nadeau asked who would maintain this project once completed and PWD stated that DOT would maintain the project once completed.

**On roll call vote, YES: Nadeau, Anderson, Abshier, Bairstow**

**The Motion passed with a 4-0 vote.**

## **11. IMPACT FEE RATE OPTIONS**

Engineer Ron Ferland came forward and discussed the three options (handout) for the sewer treatment plant.

Mr. Ferland stated that the capital finance plan for the Wastewater Treatment Program shows the construction costs, the effluent disposal and the collection system improvements that are necessary to meet the City's growing demand.

Option 1 is the 100% plan - using the \$860,000 impact fees that the City has available;

Option 2 is the 75% plan - using \$650,000 of the impact fees and keeping the rest as reserves;

Option 3 is the 0% plan - using none of the impact fee money to offset any borrowing associated with the construction

### **WATER SYSTEM**

Mr. Ferland stated that historically the growth in the City has been 30 additional customers per year and if that changes you would have more revenue and be in a better position to meet your expenses.

Mr. Ferland stated that for the 2003-04 budget the added future projection that was applied was 3% for the inflation factor. Except in Personnel, \$30,000 was added for fiscal year 2005 and an additional \$20,000 for fiscal year 2008 to accommodate additional staff; beyond that it was 3% growth for Personnel Services, Operational Expenses and Utilities.

Mr. Ferland stated that the renewal and replacement for the water system was budgeted at \$19,000. Normal bond requirements require a utility to fund 5% of its gross revenues to make sure it provides enough money to repair/renew/replace the facility. 3% of the gross revenues was used and this money can be put into an account that would accumulate cash over the years and you could use those funds for projects, i.e. replacing water lines if necessary.

The debt service is the existing bonds; existing Farmers Home Bonds that are outstanding.

Other Operational Revenues are interest earnings and other miscellaneous revenues which were totaled and lumped into the "Other" category.

The bottom line is that the net revenue requirement is a combination of the operational maintenance costs and the debt service cost, minus other operational revenues which tells how much money you need to operate the water system in each of those given fiscal years.

Projected rate revenues associated with existing rates as a stand alone basis equals a surplus for the water system revenues. The reason being that water rates and wastewater rates are about equal so normally water systems do not cost as much to operate as the wastewater system.

The City has a healthy revenue surplus in the water system on a stand alone cost basis.

### **WASTEWATER SYSTEM**

Mr. Ferland stated that historically the growth in the City has been 37 additional customers per year and like the Water System the Wastewater System was also projected at 3% for the inflation

factor. The difference is in the Debt Service which has the existing Farmers Home Bond and State Revolving Loan #1 and #2. The second State Revolving Loan would be used to fund the wastewater project using the \$860,000 impact fee money to offset the borrowing associated with the construction.

The net revenue requirements significantly exceed projected rate revenues. On a stand alone basis, he has projected a revenue deficiency. Together for fiscal year 2003-04 the excess in water system would offset the deficiency in the wastewater system. However, there isn't enough excess water surplus to offset all the wastewater deficiency. Therefore, the City would need to increase the rates to raise additional water revenues.

### **PROPOSED RATE PROGRAM**

Basically it comes down to how much money does the wastewater system need to pay all its bills.

Proposed rate increases are:

Year 04-05 increase cost per month from \$4.78 to \$8.02 per month per customer; cost per kgal would go from \$2.42 to \$2.51. Major increase of 68% in customer cost because this makes a better more stable revenue stream for the utility system. Allocation of costs the total amount they pay would not change, but there would be more in the usage component.

Year:

03/04 10,000 kgal usage \$28.96

03/04 costs \$33.11 (14%) proposed rate increase

05/06 costs \$38.00 (16%) “

06/07 costs \$43.74 (14%) “

07/08 costs \$47.74 (7%) “

Mr. Ferland stated he recommended that at the minimum level you charge more per month.

Base would change from \$4.77 per month to \$7.32 per month.

Usage of less than 7,000 gals would go from \$1.96 to \$1.64 per 1,000 gals

Usage over 7,000 gals would go from \$2.39 to \$2.25

The list of utilities that were looked at were Wildwood, Leesburg, Ocala, Mt. Dora, Crystal River, Bushnell, Winter Springs, and Marion County. The proposed rates would help the City to grow and provide competitive rates. In the future, the ability to supply water and wastewater at competitive rates will help your growth to continue to increase. As these other municipalities have to add capacity, their rates will also go up.

Mayor Bairstow asked if the 37 new customers per year is conservative and PWD stated that is the rate we have historically grown, so we planned it that way, but we probably will have more. The Mayor asked about the 3% salary raises and stated he felt it should be 7% and Mr. Ferland stated that 3% is the average and it is the total amount which includes attrition. The Mayor questioned the base rate increase and Mr. Ferland stated that water rates are high and you are making a surplus on the water. Mr. Ferland stated you could leave the base rate lower and increase the use rate and the Mayor stated that he felt that the increase in use rate helps in the conservation of water. The Mayor stated he would be more apt to go along with a certain

percentage each year. Mr. Ferland stated that if the numbers are too conservative and the City grows more rapidly, you can adjust the rates as needed.

### **IMPACT FEES**

Mr. Ferland stated that the impact fees are what the City should charge the customers for their piece of the pie. Mr. Ferland stated that the rate increase is caused by the additional \$250,000 a year of revenue requirements associated with paying back the \$3-4 million of borrowing; under Option 1 the City would borrow \$3.5 million, under Option 2 the City would borrow \$4.5 million.

Commissioner Anderson stated if there are only 30 new customers per year the City does not need to build anything. Mr. Ferland stated that the projected population growth is about 180 people, 3 people per unit, or about 60 units per year. Commissioner Anderson stated then the City could double that figure to 60 new customers per year. Mr. Ferland stated that you could do that, but using a conservative approach shows that there will be enough monies collected and if you use a higher number and the growth does not come through then you will have a shortfall in revenue. You need the facilities in place for growth, but you need to be on with the growth. Commissioner Anderson asked if Target or Wal-mart come into the City what would that revenue be and Mr. Ferland stated not a lot because those stores do not use large amounts of water or wastewater. An example of a big user would be a school, hotel or laundry. The other stores Wal-mart or Target would be good for the City, but they don't do a lot for the utilities.

Mayor Bairstow stated that tonight we are not setting rates for 5 years in the future, but for a year in the future.

Mr. Ferland stated they take the value of each component and divide that by the number of Equivalent Residential Units (ERU) capacity which equals the cost per ERU. The breakdown of wastewater ERU per day for Belleview is 330 gals/day per residential unit. The total comes to \$2220 per ERU which is within \$6.00 per ERU to what your existing impact fees are right now so he would not recommend making any changes to the Wastewater impact fees. Water impact fees currently are \$205 per ERU and the recommendation is to raise the water impact fees to \$460. Mr. Ferland stated that he took each component and added or subtracted the total value of the amount of money received in grants and came up with the \$460 impact fee per ERU. Mr. Ferland stated that any new customers the City would determine how many ERU they represent and then multiplied the ERU by the \$460 to determine the fee. Mr. Ferland stated that the City is very competitive and lower than any of the other impact fees of the surveyed utilities. Mr. Ferland stated that the wastewater ERU of \$2220 is close to average of the surveyed utilities and very close to the cities in your vicinity i.e. Ocala, Marion County, Crystal River, Eustis, and Lake County.

Mr. Ferland stated that tonight he would like the Commission to decide which option the City should go with and how much money the City wants to use for construction funding. He stated that he increased personnel services to 7% per year and computed a 3% per year projected average rate increase for the other utilities. The growth rate of the City can increase and it is not a set rate; it can change at any time.

Mayor Bairstow stated he felt that the number of new customers should be increased by 10% to be more realistic and then revised each year by a percentage. Commissioner Abshier stated he would like it to be left alone now and change it at a later date. Mayor Bairstow stated he would rather a certain percentage of increase each year instead of increasing units. Commissioner Abshier stated he likes what has been proposed and this is the best study he had ever seen and the more you use the more you would pay because a family can only be so conservative as it relates to laundry, baths, dishes, etc. Mr. Ferland stated you could put in tiers if you want and Mayor Bairstow stated that conservation is going to be an issue and if you go over a certain level you are going to pay more which seems appropriate. Commissioner Abshier stated he is comfortable with what was proposed. Mr. Ferland stated that the intention was to punish the excessive irrigation user so they do not use potable water for grass watering and that the tier method would apply only to residential customers not commercial.

Mr. Ferland stated that growth increase has potential to be a lot more than what the historical data has shown the growth rates of the last three years.

Mayor Bairstow stated that we need to decide which option to go with and how much of the City's monies that we want to use. Commissioner Anderson asked how many gallons of impact are left and Mr. Ferland stated that 860,000 available now and over the next five years 477,000. Mr. Ferland stated that the City can use the impact fees to pay 50% of the debt service for expansion. Commissioner Anderson stated we can use some of the impact fee money to pay the debt so that the City doesn't have to go up as much on the rates.

Commissioner Abshier stated that he feels the interest rates are so low (currently 1.8%) that the City might as well get all it can and keep the money it has. Commissioner Nadeau agreed with Commissioner Abshier. Commissioner Anderson stated he wanted to hold onto the money and the impact fees and borrow the \$1.8 million and then the City would have some back up funds.

Mr. Ferland stated as I understand it we are going to do the following:

1. Leave water rates as proposed with lowering the usage and raising the base charge;
2. Increase to 7% the personnel cost and add additional customer growth by 20% per year;
3. Impact fees will not be used to offset the construction fund borrowing

Mayor Bairstow stated that is correct.

Mr. Ferland stated that the City could lower the water to keep the rates close to the same and if they use the average use they would give the same rate paying impact to the customer, but the nonusers who remain customers will pay a higher rate; it is revenue neutral to the average users.

Mr. Ferland stated leaving the rates the way it is, they would pay a higher base but the usage rate would be lower so you would get less revenue. PWD stated that the City has three schools and we would lose money on this plan because they would only pay three base charges and they are three of our biggest users. Commissioner Abshier suggested changing residential and leaving commercial the way it is. Mayor Bairstow stated he did not want to reduce the usage rate, but he had no problem with raising the base rate, but it is no longer revenue neutral because it would impact the residential user. Commissioner Nadeau agreed with the Mayor. Commissioner Abshier stated that he was trying to relate the cost of what it cost to produce water and sewer.

Mayor Bairstow stated it is up to the Commission to decide and adjust the rates and this issue would be brought back at a later date.

Mayor Bairstow stated it is late and would like to know if the Commission wants to postpone the remainder of the items until the next meeting.

#### **12. SPRUCE CREEK EFFLUENT LINE**

PWD Monroe stated that Spruce Creek came back and recommended the line going down Highway 441 to Spruce Creek instead of C-25 and they would fund the difference in the costs. However, if the City decides to go down C-25, we would need to get the line in the ground as soon as possible. PWD stated that it makes no difference construction wise. However, it would cost more to go down Highway 441, but if Spruce Creek funds the difference then he would just go down 441.

Mayor Bairstow tolled the Commission and it turned out 3-1 for the line going down Highway 441. Commissioner Anderson stated that his concern is until the City could determine the cost to go down C-25; he would not want to do anything. PWD stated that Spruce Creek has since come back and stated that they want the line going down Highway 441.

#### **13. VERIZON TOWER RENTAL**

Postponed

#### **14. BELLEVIEW MINI STORAGE DEVELOPER'S AGREEMENT**

Postponed

#### **15. LIBRARY PROPERTY**

Commissioner Abshier stated that two County Commissioners have told him that the City needs to find a parcel for the library and if the City needs more money it needs to ask for it and it would probably be given. A workshop to discuss the library sites was scheduled for the last Wednesday in June.

#### **16. ORDINANCE 2004-11 CODE ENFORCEMENT BOARD**

Postponed

#### **17. PROFESSIONAL BUILDING SERVICES CONTRACT**

The Mayor stated what does the Commission want to do. One person could meet with them and work it out and then bring it back to us or do you want a workshop. It was decided that one person would work with staff on the contract. Commissioner Abshier stated that person should be whoever is in charge of site plan. Commissioner Nadeau stated that he would work with staff on the contract and then bring it back before the Commission.

City of Bellevue  
Regular Commission Meeting  
May 18, 2004

Mayor Bairstow adjourned the meeting 10:40 P.M.

ATTEST:

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Sandi McKamey, CMC, CPM  
City Clerk/Administrator