

**CITY OF LARGO
CITY COMMISSION REGULAR MEETING**

**July 17, 2018
Minutes**

COMMISSION PRESENT: Mayor Brown, Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll

COMMISSION ABSENT: None

PARTICIPATING STAFF PRESENT: City Mgr. Schubert, City Attorney Zimmet, Asst. City Mgr. Staffopoulos, City Clerk Bruner, Dep. City Clerk Fogarty, Planner Lunan-Gordon, Planning Mgr. Perez, Asst. Comm. Dev. Dir. Klute, HR Dir. Sinz, Economic Dev. Mgr. Brydon, Economic Dev. Coor. Nunez, Mgmt. Analyst Thompson, Dep. Police Chief Loux, HR Dir. Sinz, Benefits Coor. Eastman, Intergovernmental Relations Coor. Reed, OMB Mgr. Semones, Mgmt. Analyst Payne, Asst. Fire Chief Rooks, Acting Fire Chief Pennino, Finance Dir. Adams

Mayor Brown called the Regular Meeting to order at 6:00 pm.

Invocation was given by Reverend Robert Cohee, Largo Police Chaplain, Pastor, Bible Fellowship Church, followed by the Pledge of Allegiance.

CEREMONIAL

None

CITIZEN COMMENT

1. Sharon Fekete stated that she was a member of the Recreation, Parks and Arts Board. She described new after school programs at the recreation centers, which will include transportation. She stated that the programs will focus on children being active, and will include a variety of activities and homework time.
2. Geoff Moakley spoke about Largo's downtown district. He stated that the City did not need to spend money on the Seminole Blvd. Triangle.

AGENDA – APPROVED

Approval of the Regular Commission Meeting agenda of July 17, 2018.

Discussion:

None

Motion was made by Commissioner Holmes, seconded by Vice Mayor Smith, to approve the agenda for the Regular Meeting of July 17, 2018.

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

MINUTES – APPROVED

Approval of the Regular City Commission Meeting minutes of July 3, 2018 as on file in the City Clerk's Office.

Discussion:

None

Motion was made by Commissioner Carroll, seconded by Commissioner Fenger, to approve the minutes of the Regular Meeting of July 3, 2018.

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

CONSENT DOCKET – APPROVED

AWARD OF CONTRACT NO. 18-C-638, BASIN 15 MANHOLE REHABILITATION PROJECT, TO ENGINEERED SPRAY SOLUTIONS, LLC, IN THE AMOUNT OF \$217,100

The purpose of this agenda item is to obtain City Commission approval for the award of the Basin 15 Manhole Rehabilitation contract to Engineered Spray Solutions, LLC, in the amount of \$217,100. In January 2017, the City hired the engineering consultant firm of McKim and Creed to perform an inflow and infiltration (I&I) evaluation of the Lift Station 15 sanitary sewer collection system basin. In general, the basin is bounded by Indian Rocks Road on the west, Trotter Road on the east, Wilcox Road on the south, and 10th Avenue SW on the north. The evaluation included the inspection of approximately 52,000 linear feet of gravity sewer pipe, 1,139 laterals and 226 manholes. The results of the evaluation identified 6,580 linear feet of main line pipe and 123 service laterals that will require lining. The evaluation also recommended that 34 manholes be rehabilitated.

On May 18, 2018 the City advertised the Basin 15 Manhole Rehabilitation contract for competitive bid. The City received two submittals by the bid deadline of June 19, 2018. Please see the bid tabulation on page 2. TV Diversified did not meet the City's bid specification requirements and was disqualified. Engineered Spray Solutions, LLC met those requirements and is recommended for award. They have not performed work for the City in the past. However, City staff has contacted references listed in the bid submittal, and they indicated that Engineered Spray Solutions, LLC's work had been satisfactory and they would be willing to issue work to them in the future. Engineered Spray Solutions, LLC has the ability and the resources to perform the services required in this contract.

A copy of the contract has been placed in the City Commission Workroom.

BID TABULATION

<i>Contractor</i>	<i>Bid</i>
<i>Engineered Spray Solutions, LLC</i>	<i>\$217,100</i>
<i>TV Diversified, LLC</i>	<i>\$78,500</i>

AUTHORIZATION TO PURCHASE EIGHT (8) REPLACEMENT VEHICLES FOR THE ENVIRONMENTAL SERVICES AND PUBLIC WORKS DEPARTMENTS FROM DUVAL FORD AND EVERGLADES FARM EQUIPMENT IN ACCORDANCE WITH THE FLORIDA SHERIFFS ASSOCIATION CONTRACT NO. FSA17-VEH15.0 IN THE ESTIMATED AMOUNT OF \$252,426

Minutes
July 17, 2018

The Public Works Department (PW) is requesting City Commission authorization to purchase eight (8) vehicles for the Environmental Services (ES) and Public Works Departments, in accordance with the Florida Sheriffs Association Contract No. FSA17-VEH15.0 in the estimated amount of \$252,426. The specifications for the vehicles being purchased were developed in collaboration between the PW Fleet Management Division, ES, and the PW Facilities and Streets and Stormwater Divisions to ensure that the vehicles meet operational needs.

<i>Current Vehicle #</i>	<i>Current Make</i>	<i>Current Model</i>	<i>Replacement Make</i>	<i>Replacement Model</i>	<i>Vendor</i>	<i>Quote</i>	<i>Budget</i>	<i>Balance</i>
62-21-04	Ford	Escape	Ford	Transit	Duval	\$21,138	\$24,700	\$3,562
62-22-75	Ford	F250	Ford	F450	Duval	\$81,085	\$110,000	\$28,915
62-25-11	John Deere	27D	John Deere	35G	Everglades	\$37,326	\$42,500	\$5,174
62-25-13	Ford	F350 Dump	Ford	F350 Dump	Duval	\$52,129	\$58,000	\$5,871
60-45-19	Ford	E250 Van	Ford	T250 Van	Duval	\$30,374	\$31,000	\$626
60-45-29	Ford	E250 Van	Ford	T250 Van	Duval	\$30,374	\$31,000	\$626
60-65-27	Challenger	MT297	John Deere	4066R	Everglades	\$44,458	\$80,000	\$35,542
60-66-75	Challenger	MT465B	John Deere	6120M	Everglades	\$101,706	\$110,800	\$9,094
					TOTAL	\$252,426	\$297,200	\$44,774

While the City's general replacement policy is to replace vehicles with like vehicles, changes in operational needs or practices may present a need to change the type of new vehicle that is acquired. Several such instances are evident in this request.

Environmental Services:

Vehicle 62-21-04: This is a Ford Escape which is being replaced by a Transit Connect cargo mini-van. The Escape serves as an administrative vehicle. The Environmental Control Division uses a small SUV which has been problematic with respect to transporting sampling and other equipment. The Transit Connect will be assigned to the Environmental Control Division and their SUV will be reassigned to the administrative function.

Vehicle 62-22-75: The request is to replace a Ford F250 service truck with a Ford 450 service body truck with an Auto Crane. The replacement will allow the department to transport larger by-pass pumps and stand-by generators during significant storm events and provide additional transport and lifting capability during normal operations.

Public Works:

Vehicles 60-65-27 and 60-66-75 are both Challenger slope mowers that are purpose built for mowing. The requested replacements for these vehicles are John Deere tractors that can be outfitted for mowing but can also support other attachments to perform different work. This will provide additional flexibility and work efficiency.

APPOINTMENT OF DR. KAI RUSH AS A MEMBER OF THE RECREATION, PARKS AND ARTS ADVOCACY BOARD

The Recreation, Parks and Arts Advocacy Board is comprised of seven (7) residents of the City of Largo. The Mayor and each Commissioner shall appoint one (1) resident to serve as a member of the board to run concurrently with the term of office of the Mayor or Commissioner who appointed the member.

Commissioner Curtis Holmes is recommending the appointment of Dr. Kai Rush to the Recreation, Parks and Arts Advocacy Board for the remainder of a four-year term which will expire in November 2020. Dr. Rush will fill the vacancy created by the resignation of Ms. Sue Porter, who served on this Board since April, 2000.

Motion was made by Commissioner Holmes, seconded by Commissioner Carroll, to approve the Consent Docket without City Commission discussion and including staff background provided in the Commission packets.

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Mayor Brown thanked Dr. Rush for volunteering.

ITEMS REMOVED FROM THE CONSENT DOCKET

None

PUBLIC HEARINGS

ORDINANCE NO. 2018-21 – SECOND READING – AMENDING THE CITY OF LARGO COMPREHENSIVE PLAN – ADOPTED

In an effort to unify with the City of Largo's new mission, "Provide Superior Service that Inspire Community Pride", and new vision, "To Be the Community of Choice in Tampa Bay", as stated in the 2017 Strategic Plan, the Comprehensive Planning Team ("Team") has prepared and is requesting approval to adopt the proposed amendments and ordinance for the City of Largo Comprehensive Plan.

Undergoing the last phase, "Implementation", the Team has produced a final draft of the revised plan titled *City of Largo Comprehensive Plan: Forwarding Our Future 2040*. The goals, objectives, policies (GOPs), and strategies are embedded in the overall plan and are supported by a dynamic foundation of data and analysis that relate to each specific element. To get to this point, staff sought feedback, recommendations and support from the City Commission, Advisory Boards (public workshops are described in the Planning Board Staff Report or online), divisions, departments, government entities, and organizations, in conjunction with incorporating and aligning with State, Regional, City, County and planning priorities. To view the complete draft of the new Comprehensive Plan for 2040 please visit largo.com/forwardingourfuture.

The proposed Comprehensive Plan Text Amendment (CPTA) to the GOPs and strategies of the various elements of the Comprehensive Plan are intended to reflect the local assessment of needed changes since the 2009 Comprehensive Plan update.

On November 14, 2017, the City Commission and Planning Board hosted a Joint Work Session to discuss the scope of the proposed plan. At that time, the Team provided an overview of the plan update process and highlighted the priorities and major themes of Forwarding Our Future 2040.

The Planning Board reviewed this CPTA at a public hearing held on March 1, 2018 and recommended approval by unanimous vote. If approved by the City Commission, these amendments will be transmitted to the DEO and other review agencies under the expedited state review (ESR) process in accordance with §163.3184 (2), (3) and (5) F.S. Upon going through the statutory requirements, and providing any necessary revisions and addressing comments, the City plans to adopt the amended Comprehensive Plan by July 2018.

Due to the size of Exhibit "A": Strike-through/Underlined Largo Comprehensive Plan Amendments, two hard copies will be available for review in the City Commission work room and a digital copy will be posted online electronically.

The Department of Economic of Opportunity (DEO) has reviewed the proposed Comprehensive Plan amendments and has received technical assistance comments with no objection. The comments were offered for consideration and staff has addressed each appropriately.

Staff also received comments with corrections from Forward Pinellas. The comments were offered to ensure there is consistency with the Countywide Rules. Staff has addressed each amendment appropriately.

The proposed changes and responses to the technical assistance comments and corrections are enclosed in the drafted transmittal letter. Hereafter, the letter will be sent to the DEO contingent on tonight's City Commission meeting. To view the complete draft of the new Comprehensive Plan please visit, largo.com/comprehensiveplan or click, [Comprehensive Plan: Forwarding Our Future 2040](#).

If approved and adopted by the City Commission, the proposed amendments will be submitted for Expedited State Review to the Department of Economic Opportunity (DEO). Upon submission, the DEO will have 31 days to grant the City of Largo a final order determining this adopted amendment to be in compliance.

City Clerk Bruner read Ordinance No. 2018-21 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Robinson, seconded by Commissioner Holck, to adopt Ordinance No. 2018-21 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

ORDINANCE NO. 2018-31 – SECOND READING – AMENDMENTS RELATED TO SUPPLEMENTAL CRITERIA AND CONDITIONAL USE REQUIREMENTS FOR RESIDENTIAL CARE FACILITIES INCLUDING ASSISTED LIVING FACILITIES, COMMUNITY RESIDENTIAL HOMES AND HALFWAY HOUSES/ REHABILITATION FACILITIES - CONTINUED

On March 07, 2017, the City Commission directed staff to research the allowable uses within the Institutional Future Land Use classification, including how they are geographically disbursed throughout the City and the relationship to property classified Residential Future Land Use, to ensure compatibility.

Staff presented the research findings to the Community Development Advisory Board (CDAB) on April 24, 2017 for recommendations. CDAB recommended that the supplemental standards for the applicable Institutional uses such as Halfway Houses/Rehabilitation Facilities and similar uses reflect those found in the CDC for Assisted Living Facilities (ALFs), specifically referring to Section 15.2.2 –15.2.5, where it discusses group care homes, recovery homes, residential treatment facilities, nursing homes and similar uses. These restrictions and standards include, but are not limited to, neighborhood character, total number of clients served, parking requirements and signage. The CDAB recommendation would alter one use that is currently listed as allowable under the Institutional designation, Halfway-House/Rehabilitation Facilities, by making it a conditional use when it exceeds six clients.

Staff's findings and the CDAB recommendation were presented to the Commission at the June 13th, 2017 work session. The Commission directed staff to prepare an amendment to clarify that the supplemental standards for ALFs are consistently applied to Halfway Houses/Rehabilitation Facilities and address neighborhood compatibility.

The Planning Board recommended approval of proposed Ordinance No. 2018-31 at their June 7, 2018 meeting.

Subsequent to the Planning Board recommendation, the City Attorney conducted an additional review that resulted in new and revised language to the proposed amendment of Chapter 15 Supplemental Standards. The new language addresses Federal protections against discrimination, consideration of reasonable accommodations to standards for unforeseen or unique circumstances and clarification of appropriate sign standards.

Assisted Living Facilities, Community Residential Homes and Halfway Houses/ Rehabilitation Facilities are classified as institutional land uses that serve the special needs of individuals in residential-like, institutional settings generally referred to as Residential Care Facilities. While Residential Care Facilities have some similarities to general residential uses, these facilities may have a greater impact upon surrounding uses than similarly sized residential uses. These facilities may vary in size, intensity and scope of services provided on-site. Furthermore, licensing and operation of Residential Care Facilities are subject to various state statutes and rules and administered by different agencies depending on the clientele and the services provided. The CDC Chapter 15 – Supplemental Standards establishes standards for the protection of the health, safety, and welfare of the residents of a facility and the community at large.

The proposed ordinance will amend the Chapter 6 Allowable Use Tables, Chapter 15 Supplemental Standards, and Chapter 20 Definitions to distinguish between the three types of Residential Care Facilities, provide clarification of the applicability of supplemental standards proportionate to the type and intensity of the use, revise existing and include new definitions to appropriately define the type of uses. The proposed changes are more specifically described as follows:

Chapter 6: Allowable Uses

- Table 6-1: Allowable Uses within Land Use Classifications are amended to clarify the allowable institutional uses within certain Future Land Use designations. These uses include Assisted Living Facilities, Community Residential Homes, and Halfway Houses/ Rehabilitation Facilities. Clarifications include the requirement for Conditional Use Approval and references to applicable supplemental standards, "Must comply with supplemental standards, Section 15.2".
- Table 6-2: Allowable Uses within the Community Redevelopment Districts (CRD) are amended to clarify the allowable institutional uses within certain City's Future Land Use designations. These uses include Assisted Living Facilities, Community Residential Homes, and Half-way Houses/ Rehabilitation Facilities. Clarifications include the requirement for Conditional Use Approval and references to applicable supplemental standards, "Must comply with supplemental standards, Section 15.2".

Chapter 15: Supplemental Standards

- Section 15.2.1- Purpose: References Federal protections against discrimination based on race, religious view, sex, national origin, familial status, or any person with a disability. Provides a process for requests for reasonable accommodations to the standards within Chapter 15. The City Manager will have the authority to determine, on a case-by-case basis, if a request qualifies for any such accommodation that does not fundamentally alter the nature of the City's zoning regulations and does not impose undue financial or administrative burden.
- Section 15.2.2- Applicability: The proposed changes to Chapter 15 provide clarification to Section 15.2, Residential Care Facilities. This section was previously titled Assisted Living Facilities (ALFs). The section now includes supplemental standards for Assisted Living Facilities, Community Residential Homes and Halfway Houses/ Rehabilitation Facilities.
- Section 15.2.3- Restrictions: Defines the restrictions for each of the Residential Care Facility categories based on number of clients. These restrictions also take land use and location into consideration.
- Section 15.2.4- Review Procedures: Clarifies when a Class II Conditional Use/ Level III review is required.
- Section 15.2.5- Additional Standards: References the Parkland and Recreation Facilities Impact Fee section of the CDC. Clarifies appropriate sign standards.

Chapter 20: Definitions

- Definitions are proposed to be added to Sections 20.1C (Community Residential Homes), 20.1E (Elderly Housing), 20.1G (Group Care Home), and 20.1R (Recovery Home)
- Revises definitions within Sections 20.1A (Assisted Living Facility) and 20.1H (Halfway-House/Rehabilitation Facility).

Staff requests the second reading to be continued to the August 7, 2018 meeting to conduct additional research as directed at the July 3, 2018 meeting, as described below.

For second reading, staff was directed to determine if Halfway House/Rehab Facilities with seven (7) or more clients should be allowed in the City Home Character Districts and the mixed use land use classifications of Residential/Office/Retail (R/O/R), Residential/Office Limited (R/OL) and Residential/Office General (R/OG).

City Clerk Bruner read Ordinance No. 2018-31 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Holmes, seconded by Vice Mayor Smith, to continue second and final reading of Ordinance No. 2018-31 to the August 7, 2018 City Commission Meeting.

Discussion:

Mayor Brown stated that another item that the City Commission wanted staff to look at was Community Residential Homes with under seven beds and whether they are allowed, which was not reflected in the memo.

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

ORDINANCE NO. 2018-33 – SECOND READING – AMENDING THE CITY OF LARGO MUNICIPAL POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT PLAN TO ALLOW THE REHIRE OF A RETIREE IN A CIVILIAN OR PART-TIME POLICE OFFICER POSITION - ADOPTED

As previously discussed by the City Commission, Reserve Part-Time School Resource Officers are being requested to be provided by the City of Largo at two charter schools: Pinellas Preparatory Academy and Pinellas Academy of Math and Science.

The City of Largo has been advised by the Board attorney that Section 30 of the Police Fire Pension Plan must be amended pursuant to IRS regulations to allow a retiree to be rehired by the City in a civilian position or a part-time Police Officer position. The recommended language requires normal retirement, a six month separation period from the City of Largo, after retirement, and allows continuation of payment of retirement benefits to those who serve as a part-time Police Officer/School Resource Officer or in a civilian position not included in the retirement plan.

The City of Largo rehired a retiree (Firefighter) in a civilian position last August to take advantage of the institutional knowledge that Firefighter had concerning our fire apparatus and equipment. The civilian position was the Fire Resource Specialist, which ensures Fire Rescue apparatus have working and operable equipment installed and ready for deployment. With an extremely limited pool of qualified candidates for this position, the ability to rehire a retiree in a civilian position was advantageous to the City.

Ms. Sinz requested that reference to “or firefighter” in Section 30.3 be removed.

City Clerk Bruner read Ordinance No. 2018-33 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Robinson, seconded by Commissioner Carroll, to adopt Ordinance No. 2018-33 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

ORDINANCE NOS. 2018-34 THROUGH 2018-40, 2018-42 THROUGH 2018-48, 2018-50 THROUGH 2018-57, AND 2018-59 THROUGH 2018-61 – SECOND READING – AN ANNEXATION OF TWENTY SEVEN (27) PROPERTIES WITH LAND USE DESIGNATIONS OF COMMERCIAL GENERAL, RESIDENTIAL LOW, RESIDENTIAL URBAN, RESIDENTIAL ESTATE, RESIDENTIAL SUBURBAN, AND RESIDENTIAL LOW MEDIUM - ADOPTED

City Commission approval is requested for Ordinance Nos. 2018-34 through 2018-40, 2018-42 through 2018-48, 2018-50 through 2018-57, and 2018-59 through 2018-61, for voluntary annexation of twenty-seven (27) parcels with a total land area of 7.82 acres (mol). The properties will retain the same Countywide Future Land Use Plan Map designations of Commercial General, Residential Low, Residential Urban, Residential Estate, Residential Suburban, and Residential Low Medium as provided for in unincorporated Pinellas County. Annexation of these properties by the City of Largo is pursuant to criteria contained in Chapter 171, Florida Statutes. The Pinellas County Board of County Commissioners was noticed on June 19, 2018, for review and comment. The City has not received any objections. All City Departments reviewed these annexations and indicated services can be provided to the properties.

Incentives that were provided to the various property owners prior to annexation include:

- In-City solid-waste collection, sanitary sewer, and recreation rates (27 properties)

The Ordinances have been sent to the City Commission electronically and posted to the website.

City Clerk Bruner read Ordinance No. 2018-34 by title only.

Public Hearing/Questions:

None

Motion was made by Vice Mayor Smith, seconded by Commissioner Fenger, to adopt Ordinance No. 2018-34 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-35 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Fenger, seconded by Commissioner Holmes, to adopt Ordinance No. 2018-35 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-36 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Holmes, seconded by Commissioner Robinson, to adopt Ordinance No. 2018-36 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-37 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Robinson, seconded by Vice Mayor Smith, to adopt Ordinance No. 2018-37 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-38 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Holck, seconded by Commissioner Carroll, to adopt Ordinance No. 2018-38 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-39 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Carroll, seconded by Vice Mayor Smith, to adopt Ordinance No. 2018-39 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

City Clerk Bruner read Ordinance No. 2018-40 by title only.

Public Hearing/Questions:

None

Motion was made by Vice Mayor Smith, seconded by Commissioner Fenger, to adopt Ordinance No. 2018-40 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

City Clerk Bruner read Ordinance No. 2018-42 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Fenger, seconded by Commissioner Holmes, to adopt Ordinance No. 2018-42 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

City Clerk Bruner read Ordinance No. 2018-43 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Holmes, seconded by Commissioner Robinson, to adopt Ordinance No. 2018-43 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

City Clerk Bruner read Ordinance No. 2018-44 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Robinson, seconded by Commissioner Holck, to adopt Ordinance No. 2018-44 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

City Clerk Bruner read Ordinance No. 2018-45 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Holck, seconded by Commissioner Carroll, to adopt Ordinance No. 2018-45 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-46 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Carroll, seconded by Vice Mayor Smith, to adopt Ordinance No. 2018-46 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-47 by title only.

Public Hearing/Questions:

None

Motion was made by Vice Mayor Smith, seconded by Commissioner Fenger, to adopt Ordinance No. 2018-47 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-48 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Fenger, seconded by Commissioner Holmes, to adopt Ordinance No. 2018-48 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-50 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Holmes, seconded by Commissioner Robinson, to adopt Ordinance No. 2018-50 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-51 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Robinson, seconded by Commissioner Holck, to adopt Ordinance No. 2018-51 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

City Clerk Bruner read Ordinance No. 2018-52 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Holck, seconded by Commissioner Carroll, to adopt Ordinance No. 2018-52 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

City Clerk Bruner read Ordinance No. 2018-53 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Carroll, seconded by Vice Mayor Smith, to adopt Ordinance No. 2018-53 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

City Clerk Bruner read Ordinance No. 2018-54 by title only.

Public Hearing/Questions:

None

Motion was made by Vice Mayor Smith, seconded by Commissioner Fenger, to adopt Ordinance No. 2018-54 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

City Clerk Bruner read Ordinance No. 2018-55 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Fenger, seconded by Commissioner Holmes, to adopt Ordinance No. 2018-55 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

City Clerk Bruner read Ordinance No. 2018-56 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Holmes, seconded by Commissioner Robinson, to adopt Ordinance No. 2018-56 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-57 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Robinson, seconded by Commissioner Holck, to adopt Ordinance No. 2018-57 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-59 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Holck, seconded by Commissioner Carroll, to adopt Ordinance No. 2018-59 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-60 by title only.

Public Hearing/Questions:

None

Motion was made by Commissioner Carroll, seconded by Vice Mayor Smith, to adopt Ordinance No. 2018-60 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

Deputy City Clerk Fogarty read Ordinance No. 2018-61 by title only.

Public Hearing/Questions:

None

Motion was made by Vice Mayor Smith, seconded by Commissioner Fenger, to adopt Ordinance No. 2018-61 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

ORDINANCE NO. 2018-62 – SECOND READING – AMENDING THE FY 2018 POLICE DEPARTMENT GENERAL FUND BUDGET IN THE AMOUNT OF \$51,200 FOR THE ADDITION OF 1.50 RESERVE SCHOOL RESOURCE OFFICER FULL-TIME EQUIVALENT POSITIONS, AND AMENDING THE PAY PLAN TO ADD A RESERVE SCHOOL RESOURCE OFFICER CLASSIFICATION - ADOPTED

In response to the Parkland, FL mass shooting at Marjorie Stoneman Douglas High School, on March 9, 2018 the governor signed into law the Marjory Stoneman Douglas High School Public Safety Act-SB7026. Section 26 of SB 7026 mandates that a Safe School Officer (SSO) be assigned to each public school, which includes charter schools. A SSO is defined as a sheriff or police department employed law enforcement officer, or a school guardian (armed school personnel).

The City of Largo currently provides a total of five School Resource Officers (SRO) at: Largo High School (2); Largo Middle School (1); and Pinellas Gulf Coast Academy (2). Four of these positions are partially reimbursed by PCSB in the amount of \$58,000 per officer. The fifth (at Largo High) is paid fully by the City. The City Commission declined to participate in the expansion of the SRO program at the May 1, 2018 regular meeting due to lack of sufficient funding reimbursement from PCSB.

Since then, two charter schools, Pinellas Academy of Math & Science and Pinellas Preparatory Academy, have reached out to the Largo Police Department to request part-time Reserve SROs, and have offered to reimburse the full cost of the officers. A contract with each school is currently under review by the City Attorney's office.

PD is requesting to establish a Reserve SRO position in the pay plan, whereby retired (Largo or other agency) police officers can be employed by the City as SROs on a part-time, hourly basis. These positions would only receive the benefit of pro-rated health insurance, but not accrue retirement, sick or vacation leave. This program is in-line with the programs that many other departments across the state have in place (Coral Springs, Coconut Creek, Hallandale Beach).

SRO Program Costs:

As represented in the cost table below, this budget amendment is authorizing the addition of 1.50 FTE Reserve School Resource Officer positions to PD, and associated personnel and operating costs (salaries, benefits, uniforms, equipment, etc.) from July 1 – September 30, as well as amending the pay plan to add the Reserve SRO classification. It is important to note that the costs for this program do not include the purchase of additional vehicles. PD will hold back two vehicles due for replacement this year to be used for the program. These vehicles are primarily parked at the schools during the day, and not used for regular patrol duties.

The FY 2019 column in the cost table below represents the estimated amount that will be included in the FY 2019 Proposed Budget to fund 1.50 FTE Police Officer Positions for the entire year. The costs would be entirely

offset by revenue as agreed to in the proposed contract.

Costs:	FY 2018	FY 2019
New Personnel	\$38,000	\$126,100
New Operating	\$13,200	\$13,200
Total	\$51,200	\$139,300

City Clerk Bruner read Ordinance No. 2018-62 by title only.

Public Hearing:

None

Questions:

Commissioner Holmes questioned whether the City has had reserve officers in the past. Commissioner Carroll stated that unpaid reserves were used in the 1980's.

Motion was made by Commissioner Holmes, seconded by Vice Mayor Smith, to adopt Ordinance No. 2018-62 on second and final reading.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

LEGISLATIVE MATTERS

RENEWAL OF RFP NO. 13-P-446, GROUP MEDICAL INSURANCE, FOR PLAN YEAR OCTOBER 1, 2018 TO SEPTEMBER 30, 2019, WITH PUBLIC RISK MANAGEMENT OF FLORIDA HEALTH TRUST IN THE ESTIMATED AMOUNT OF \$10,000,000 – APPROVED

The City of Largo became self-insured for employee medical coverage on October 1, 2013 with Public Risk Management Florida health Trust (PRM), a self-funded Health Trust Pool comprised of fifty-three (53) public entities in the State of Florida. PRM was established on October 1, 1988 and operates as a cooperative consortium for the purpose of providing self-insured health coverage to its members and their employees. The Pool maintains excess insurance (stop loss insurance) of \$300,000 per member to protect the Pool from an accumulation of losses in any policy year. PRM has consistently run with a surplus reserve in excess of \$14.5 million.

On March 15, 2016 the City Commission approved remaining with Public Risk Management of Florida Health Trust in the self-funded Health Trust Pool. Gallagher Benefit Services is the broker/consultant utilized by PRM Group Health Trust; ensuring competitive plan designs and premiums.

The City of Largo experienced high claims to premium ratio this past year at 110%. As an industry standard, plan providers have a goal of 85% of the premium being allocated to medical claims and 15% of the premium

going toward administrative costs. The City of Largo exceeded this industry standard by 10%, due to higher than anticipated medical claims including three large claimants- each exceeding the \$150,000 high claim threshold. Fortunately, these three claims did not trigger the stop-loss coverage of \$300,000. Based on this experience, PRM is requiring a 10% increase in health insurance premiums to renew coverage for FY 2019. City of Largo employees have been extremely pleased with the plan designs. The renewal includes maintaining the identical plan design for the Core Plan, High Deductible Health Plan, and the Minimum Coverage Plan. All members of the consortium are required to offer the Minimum Coverage Plan to comply with the Patient Protection and Affordable Care Act (PPACA). PRM also provides compliance with the PPACA, paying the Healthcare Reform Patient Centered Outcomes Research Institute (PCORI) Fee of \$2.39 per enrollee per year due in July 2019.

Questions:

Mayor Brown questioned the 110% claims to premium ratio, which Ms. Sinz stated was 101% without the 15% administrative charge. Commissioner Holmes questioned whether there will be a premium increase. Ms. Sinz stated there will be and explained that the City paid 90% for individuals (95% for CWA) and 75% for dual and family. She stated that a portion of the increase will be paid by employees.

Motion was made by Commissioner Robinson, seconded by Commissioner Holck, to approve renewal of RFP No. 13-P-446, Group Medical Insurance, for plan year October 1, 2018 to September 30, 2019 with Public Risk Management of Florida Health Trust in the estimate amount of \$10,000,000

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

RESOLUTION NO. 2220 – RECOGNIZING THE 50TH YEAR OF MUNICIPAL HOME RULE IN FLORIDA - APPROVED

Municipal home rule powers were approved by Florida voters at the November 5, 1968 Election as an amendment to the Florida Constitution. Home rule powers allow municipalities to enact or remove their own laws without the need to seek legislative permission from the State of Florida.

Due to recent attempts to undermine home rule powers by the State Legislature, it is necessary for cities throughout Florida to state their support for home rule and challenge efforts to reduce or erode it. Resolution No. 2220 recognizes the fiftieth anniversary home rule and provides that Largo will include home rule information on its website and in as many outreach venues as possible.

City Clerk Bruner read Resolution No. 2220 by title only.

Questions:

Commissioner Carroll asked that each Legislator be sent a copy of the Resolution, as well as the Florida League of Cities. Commissioner Holmes stated that there is nothing the City can do about short term rentals because home rule was violated by the Legislature. Commissioner Robinson thanked staff for bringing this item forward. Mayor Brown stated that cities should be managed as their residents see fit, which home rule allows.

Motion was made by Commissioner Robinson, seconded by Commissioner Holmes, to approve Resolution No. 2220.

Discussion:

Vice Mayor Smith requested that copies of the Resolution also be sent to groups Commissioners network with, such as the Rotary Club.

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

APPROVAL OF THE PROPOSED PROPERTY TAX RATE TO BE LEVIED AND THE TIME, DATE, AND PLACE FOR THE FIRST PUBLIC HEARING FOR THE PROPERTY TAX RATE AND BUDGET ADOPTION FOR FY 2019 – APPROVED

Establishing the property tax rate is one of the most important and politically sensitive decisions that the City Commission must make each year. The decision impacts not just the budget year for which the rate is levied, but also has a long term effect on the City's financial health and ability to provide services. Despite the economic recovery, property values have still not recovered to 2008 peak, pre-recession values (\$4.8 Billion). Additionally, State imposed limitations on property tax increases have made the establishment of the property tax rate a focal point of the annual budget process.

City Administration recommends keeping the property tax rate for FY 2019 at the current rate of 5.7413 mills, which is the Rolled-back Rate plus a 6.28% increase in property tax revenue. Updated property values were received on July 1 from the Property Appraiser's Office reporting an increase of 7.46% in property values. City Administration's proposed property tax rate is adhering to the long-range strategy established by the City Commission to better control General Fund revenues by implementing small incremental increases in property tax revenue annually until a target of 20% General Fund fund balance is met. An annual increase in revenue does not directly correlate to the change in the property tax rate levied because the rate is dependent on changes in property values, new construction, and annexations. The proposed 5.7413 mills would generate \$1,780,000, or 7.36%, in additional General Fund property tax revenue, which will help the City to continue to provide the quality services that residents and businesses expect, help fund the increasing costs of providing services (employee salary increases and regular operating increases), and increase staffing and resources to meet growing service demands, while working toward achieving the goal of 20% unrestricted fund balance.

The Pinellas County Property Appraiser will be mailing the Notice of Proposed Property Taxes (Truth in Millage or TRIM notices) on August 20, 2018 to all property owners in Pinellas County. The TRIM notice will calculate property taxes using the proposed FY 2019 tax rates for all taxing entities, including the City of Largo, as well as the time, date and place for the first public hearing for property tax rate and budget adoption.

During the two public hearings conducted for adoption of a property tax rate and budget, the City Commission may levy a tax rate lower than the rate proposed in the TRIM notices; however, it cannot exceed the rate used in the TRIM notices. The first public hearing is proposed to be held at the Regular City Commission Meeting on Tuesday, September 4 at 6:00 p.m. The second public hearing is proposed to be held at the Regular Meeting on Tuesday, September 18 at 6:00 p.m. The Budget Work Session was held on Friday, July 13 with the Finance Advisory Board (FAB). A follow-up Work Session is scheduled for Tuesday, August 14 for the City Commission to provide final budget direction and consider the FAB's budget recommendations prior to the first public hearing to adopt a tax rate and budget for FY 2019.

The rolled-back property tax rate, which would generate the same property tax revenue as the prior year plus

additional revenue from new construction and annexations, is 5.4018 mills. As defined by the State of Florida, a millage rate equal to or less than the Maximum Millage Rate, which is the Rolled Back Rate plus the Florida per capita income growth rate, (5.4812) can be adopted with a simple majority vote of the City Commission (4/7). A millage rate set up to 110% higher than the Maximum Millage Rate (6.0293) requires a super majority vote (5/7), while any millage rate greater than 110% requires a unanimous vote of the City Commission. The proposed millage rate for FY 2019 is 5.7413, or the Rolled-Back Rate plus 6.28%, and will require a super-majority vote (5/7) of the City Commission.

For FY 2019, the Pinellas County Property Appraiser has projected an increase in taxable value of 7.46%, the sixth consecutive increase after several years of reduced values. Taxable value peaked in FY 2008 at \$4.8 billion.

<u>Year</u>	<u>Taxable Values</u>	<u>% Difference from Prior Year</u>
FY 2011 Final Gross Taxable Value	3,486,118,909	-10.56%
FY 2012 Final Gross Taxable Value	3,306,805,549	-5.14%
FY 2013 Final Gross Taxable Value	3,244,615,167	-1.88%
FY 2014 Final Gross Taxable Value	3,289,066,021	1.37%
FY 2015 Final Gross Taxable Value	3,467,172,716	5.42%
FY 2016 Final Gross Taxable Value	3,724,208,734	7.41%
FY 2017 Final Gross Taxable Value	4,044,507,672	8.60%
FY 2018 Final Gross Taxable Value	4,363,566,969	7.88%
FY 2019 July 1 Taxable value Estimates	4,689,087,872	7.46%
Change From FY 2011	1,202,968,963	34.50%

FY 2019 Components of Taxable Value Change:

New Construction	34,361,600	+0.79%
Annexation	8,947,342	+0.20%
Increase in Value of Existing Property	<u>316,535,217</u>	<u>+6.47%</u>
Net Change in Taxable Value	325,520,903	+7.46%

Based on a 96.5% collection rate, the value of 1 mill (\$1.00 of tax per \$1,000 of taxable value) has changed as follows:

Value of One Mill

FY 2011	\$3,364,105
FY 2012	\$3,191,067
FY 2013	\$3,131,054
FY 2014	\$3,173,949
FY 2015	\$3,351,346
FY 2016	\$3,598,260
FY 2017	\$3,911,642
FY 2018	\$4,214,824
FY 2019	\$4,524,970

Note: The average assessed value of a single family home is approximately \$131,460 with an average taxable value of \$94,574.

Public Input:

1. Geoff Moakley stated that 20% General Fund balance was excessive and that 12-13% was reasonable. He stated that the rolled-back 5.0418 mills for FY 2019 should be sufficient. He stated that the City can be adequately run for this amount.

Questions:

Mayor Brown questioned the average property value in Largo. Ms. Semones stated that the average taxable

value is \$94,574, and the average assessed value is \$131,460.

Motion was made by Commissioner Carroll, seconded by Commissioner Holmes, to approve the proposed property tax rate for FY 2019 at the rate of 5.7413 mills and schedule the first public hearing for property tax rate and budget adoption on September 4, 2018 at 6:00 p.m.

Discussion:

Mayor Brown asked whether the property values included commercial, to which Ms. Semones stated that they did not. Commissioner Holmes stated that tonight's vote did not adopt a tax rate or budget.

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

ORDINANCE NO. 2018-32 – FIRST READING - AMENDING THE CITY OF LARGO FEE SCHEDULE - APPROVED

This ordinance amends the City of Largo Code of Ordinances Fee Schedule to reflect new or existing procedures.

Overview of Proposed Changes

All Departments

The change in this section is to add a line for the new fee for lien searches. Community Development and the Finance Department are combining their lien searches into one with the new service we will be providing through Net Assets which will allow automated lien searches through the City's website.

Community Development Department

Changes to the Building Division fees include a clarification of the wording related to single trade inspection fees. A fee of \$100 for an early start of construction has been added. This is an existing process wherein commercial renovations can begin demolition while plans are being reviewed to expedite projects. A fee for renewal of extension of a construction or infrastructure permit of \$100 or the cost of the original permit, whichever is less, has been added. The edit for additional review just simplifies the language. The plan revision fee edit is to match what the building division charges for the same service; the adjustment would require the plans examiner to review, stamp and approve. The mobile food dispensing fee is new and would recoup the cost of an inspection, data entry, and account maintenance.

City Clerk Bruner read Ordinance No. 2018-32 by title only.

Questions:

Mayor Brown questioned the mobile food truck inspections. Asst. Chief Rooks stated that it would be for any future food trucks subject to an upcoming ordinance. Mayor Brown stated that previous City Commission direction was to accept the inspections of other agencies. Mr. Schubert stated that it would likely be in the food truck regulation ordinance. Chief Pennino stated that the problem will be with the fee in Trakit and that regardless of whether the City accepts another jurisdiction's inspection, there will still be administrative work. He stated that it will be difficult to charge different fees. Mayor Brown stated that a new state law required a fire inspection for food trucks. He stated that the previous City Commission discussion on this topic was that food trucks with valid inspection fees from other agencies would be accepted by Largo. Chief Pennino stated that the problem was with varying the fee depending on whether there has been an inspection. He stated that

the fee was based on staff's research into how this is handled by other cities. Chief Pennino stated that the inspection was mandated by the state, however municipalities could determine fees and processes. Mayor Brown stated that when the City Commission previously discussed this issue, the direction was to require some type of registration, a business tax receipt or registration, and proof of inspection. He stated that the Largo should not have to validate another city's inspection. Commissioner Robinson stated that the City Commission's intent was to make it as easy as possible for food trucks to operate in the City. Chief Pennino stated that \$50 was half of what the department would normally charge for an inspection. Mayor Brown questioned whether the City currently inspected food trucks, which Chief Rooks confirmed. Mayor Brown requested that other fire departments be contacted regarding their inspections to develop a list of inspections that will be accepted. Chief Rooks stated that they should all be the same, with the only difference being the fees charged. Commissioner Holmes questioned what is being inspected. Chief Rooks explained that they looked at fire safety and fuel source and other items included in the Florida Fire Prevention Code. Commissioner Holmes stated that if all departments are inspecting the same items, they should be accepted. Mr. Schubert stated that this can be clarified prior to second reading.

Motion was made by Commissioner Holmes, seconded by Commissioner Robinson, to approve Ordinance No. 2018-32 on first reading and schedule a second reading and public hearing on August 7, 2018.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

ORDINANCE NO. 2018-41 FIRST READING – AUTHORIZING BORROWING FROM THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION REVOLVING LOAN PROGRAM IN AN AMOUNT NOT TO EXCEED \$62 MILLION; AUTHORIZING LOAN APPLICATION; AUTHORIZING EXECUTION OF LOAN AGREEMENTS; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING ASSURANCE - APPROVED

This memo requests approval to apply for a 20-year loan from the Florida Department of Environmental Protection (DEP) State Revolving Fund program (SRF) to finance construction of wastewater system capital improvements, specifically the Biological Treatment System project ("middle plant" project). The City recently used the SRF program to finance construction of the three Consent Order projects with favorable results.

As discussed at the City Commission Work Session of June 12, 2018, the SRF program is considered the most economical borrowing method available, due to lower interest rates. The SRF program interest rate is estimated to be 2%-3% lower than conventional tax-exempt bond interest rates (the current SRF rate is 0.30%).

Based on the construction schedule and estimated funding required, borrowing will likely require two loan agreements over two fiscal years, because the FDEP's lending capacity is limited to \$20-\$35 million per borrower per year.

SRF loan costs will be higher than for bond financing, due primarily to a 2% loan fee (\$1,240,000). Other costs include: legal fees of \$25,000 and compliance fees of \$300,000-\$400,000 (estimated total cost \$1,665,000). Loan costs will be included in the FY 2019 budget.

Estimated bond costs are approximately 1.5% of loan proceeds (approximately \$1 million), including underwriting fees, rating agency fees, legal fees, accounting fees, and other administrative costs, plus ongoing costs over the life of the loan for paying agent fees, registrar fees, and continuing disclosure fees (estimated

total cost over 20 years \$300,000).

Estimated net cost savings over the life of the loan of using the SRF program compared to bond financing is \$10-\$20 million, depending on the final interest rate differential, inclusive of all costs (up-front and ongoing). Approval of this borrowing ordinance authorizes the Mayor to execute all loan documents, including Loan Agreements, which must be ratified by the City Commission by Resolution.

City Clerk Bruner read Ordinance No. 2018-41 by title only.

Questions:

Mr. Zimmet stated that this item is the last City Commission action required for the loan.

Motion was made by Commissioner Holmes, seconded by Commissioner Robinson, to approve Ordinance No. 2018-41 on first reading and schedule a second reading and public hearing on August 7, 2018.

Discussion:

None

Vote:

Voting Aye: Commissioners Smith, Fenger, Holmes, Robinson, Holck, Carroll, Mayor Brown

Motion carried 7-0.

STAFF REPORTS

None

ITEMS FROM CITY ATTORNEY, COMMISSION, MAYOR, CITY MANAGER

Commissioner Carroll stated that he believed the City Commission has taken all of the right steps to ensure adequate fund balance. He stated that next Friday will be the Suncoast League of Cities planning retreat.

Vice Mayor Smith stated that applications were currently being accepted for Citizens' Academy.

Commissioner Fenger stated that the PSTA Planning Committee would meet the following morning at PSTA headquarters.

Commissioner Holmes questioned how residents can get involved in Citizens Academy. Ms. Bruner stated that the Academy will start on September 17th and participants will visit all departments. She stated that residents can apply at www.largo.com/volunteer.

Commissioner Robinson stated that August 15th will be City Hall Selfie Day.

Commissioner Holck thanked Ms. Semones and her staff for the budget presentation on Friday and thanked Intergovernmental Relations Coor. Reed.

SUMMARY OF ACTION ITEMS

1. Request by Commissioner Carroll that staff provide Pinellas Legislators and the Florida League of Cities with copies of Resolution No. 2220.

2. Request by Vice Mayor Smith that staff provide copies of Resolution No. 2220 to local organizations such as the Largo Rotary.

ADJOURNMENT

The meeting adjourned at 7:15 pm.

Diane L. Bruner, CMC, City Clerk