



**TAVARES CITY COUNCIL
MEETING MINUTES
DECEMBER 21, 2022 – 4:00 PM
TAVARES CITY HALL COUNCIL CHAMBERS
201 EAST MAIN STREET, TAVARES**

COUNCIL MEMBERS PRESENT

**Walter Price, Mayor
Sandy Gamble, Vice Mayor
Bob Grenier, Council Member - *Absent*
Lori Pfister, Council Member
Troy Singer, Council Member**

STAFF PRESENT

**John Drury, City Administrator
Lindsay Holt, City Attorney
Susie Novack, City Clerk
Scott Aldrich, Community Services Director
Bob Tweedie, Economic Development Director
Lori Houghton, Finance Director
Richard Keith, Fire Chief
James Dillon, Public Works Director
Mark O'Keefe, Public Communications Director
Sarah Coursey, Police Chief
Phil Clark, Utilities Director**

I. CALL TO ORDER

Mayor Price called the meeting to order at 4:00 p.m. He asked those who wished to speak on an agenda item to complete and submit a Request to Speak form.

II. INVOCATION/PLEDGE OF ALLEGIANCE

Tab 1. Pastor Tom Cavanaugh, First Baptist Church of Tavares

Pastor Cavanaugh provided the invocation and led those present in the Pledge of Allegiance.

III. APPROVAL OF AGENDA

Mayor Price asked for any changes to the Agenda. Mr. Drury said staff had no changes.

MOTION

Troy Singer moved to approve the Agenda, seconded by Sandy Gamble. The motion carried unanimously 4-0.

IV. PROCLAMATIONS/PRESENTATIONS

Tab 2. Tavares Chamber of Commerce Update

Erika Buigas, CEO/President of the Tavares Chamber of Commerce, provided an update on Chamber events and activities.

Tab 3. Proclamation – Rotary Week

Mayor Price read a Proclamation designating the week of January 22 through 28, 2023, as Rotary Week in honor of the members of the Rotary Club of Lake County Golden Triangle and their 100 years of service to the community.

MOTION

Troy Singer moved to approve the Rotary Week Proclamation, seconded by Sandy Gamble. The motion carried unanimously 4-0.

Mayor Price presented the Proclamation to Kathy Yarborough of the Rotary Club. Ms. Yarborough thanked the Council. She noted the Rotary Club provided \$20,000 in scholarships to Mount Dora High School, Eustis High School, Tavares High School, and Mount Dora Christian Academy during the past year.

Tab 4. Proclamation – Arbor Day

Mayor Price read a Proclamation declaring January 21, 2023, as City of Tavares Arbor Day in recognition of the City's Tree City USA program requirements established by the Arbor Day Foundation, U.S. Forest Service, and National Association of State Foresters.

MOTION

Sandy Gamble moved to approve the Arbor Day Proclamation, seconded by Lori Pfister. The motion carried unanimously 4-0.

Tab 5. Stormwater Management Program

Mr. Clark made the following presentation:

The City's Stormwater System is permitted by the Florida Department of Environmental Protection requiring the National Pollutant Discharge Elimination System (NPDES) Permit. Under the NPDES Permit, the City is required to have the Stormwater Management Program and present it to Council, businesses, and residents to educate them of the City's program to keep the stormwater system clean. The city has 6 elements of the NPDES permit:

1. Public Education and Outreach

** provides awareness via the streetsweeper wrap and storm drain "Drain to Lake" markers.*

** updates City's Stormwater Department webpage.*

** Runs articles in City newsletter regarding Florida Friendly landscaping, illicit discharge awareness, and other stormwater awareness items.*

2. Public Involvement / Participation

** Adopt-a-drain program*

** Participate in Love our Lakes - Lake clean-up days*

3. Illicit Discharge Detection and Elimination

** GIS Map identifying outfalls - City has identified all stormwater outfalls*

** City has adopted an Ordinance for discharge prohibition.*

** City of created a Standard Operating Procedure for Illicit Discharge Incidents and Inspection Reporting.*

4. Construction Site Run-Off

** City has established the Construction Standards Manual that serves as "teeth" for all construction standards in the City and is enforced.*

5. Post Construction Stormwater Management

** City utilizes St. Johns River Water Management District and FDEP for regulatory criteria and compliance standards.*

6. Pollution Prevention / Good Housekeeping (Best Management Practices)

** City cleans and inspects storm system on a regular basis.*

** City has a street sweeping schedule and streets are swept 5 days a week.*

** City provides training of staff in house and through regulatory agencies.*

The permit is valid for 5 years and staff submits an annual report to FDEP each year updating the department on how the City has implemented and maintained all 6 elements.

Vice Mayor Gamble said the program eliminated street flooding. He thanked Mr. Clark.

V. SWEARING IN BY CITY ATTORNEY AND DISCLOSURE OF EXPARTE COMMUNICATIONS

Attorney Holt stated there were no quasi-judicial matters before the Council for consideration.

VI. READING OF ALL ORDINANCES/RESOLUTIONS INTO THE RECORD

Ms. Novack read the following Ordinance and Resolution by title only:

RESOLUTION 2022-23

A RESOLUTION OF THE CITY OF TAVARES, FLORIDA ACCEPTING A PROPOSAL OF TD EQUIPMENT FINANCE, INC. TO PROVIDE THE CITY WITH A TERM LOAN TO FINANCE THE ACQUISITION OF A LADDER/AERIAL FIRE TRUCK; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT; AUTHORIZING THE ISSUANCE OF A CITY OF TAVARES, FLORIDA CAPITAL IMPROVEMENT REVENUE NOTE, SERIES 2022A IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$1,000,000 IN ORDER TO EVIDENCE SUCH LOAN; AUTHORIZING THE REPAYMENT OF SUCH NOTE FROM A COVENANT TO BUDGET AND APPROPRIATE LEGALLY AVAILABLE NON-AD VALOREM REVENUES; DELEGATING CERTAIN AUTHORITY TO THE MAYOR, CITY ADMINISTRATOR AND OTHER CITY OFFICIALS FOR THE AUTHORIZATION, EXECUTION AND DELIVERY OF THE LOAN AGREEMENT, NOTE AND VARIOUS OTHER DOCUMENTS WITH RESPECT THERETO; AND PROVIDING FOR AN EFFECTIVE DATE.

ORDINANCE 2022-17

AN ORDINANCE AMENDING SECTION 17-55 PROVIDING FOR INTERIM WASTEWATER RATE SCHEDULE BASED ON A INTERIM RATE SUFFICIENCY REVIEW DUE TO FEDERAL STATE AND LOCAL ECONOMIC CONDITIONS AND RECOMMENDATIONS OF RAFTELIS; PROVIDING FOR INTERIM RATE ADJUSTMENTS THROUGH SEPTEMBER 30, 2023, AND PROVIDING FOR AUTOMATIC RATE INCREASES TO RESUME AS OF OCTOBER 1, 2023; AND PROVIDING AN EFFECTIVE DATE.

VII. CONSENT AGENDA

Mayor Price asked if anyone wished to pull an item from the Consent Agenda for discussion. There were no requests.

MOTION

Lori Pfister moved to approve the Consent Agenda [Tab 6. Approval of the December 7, 2022, City Council Regular Meeting Minutes], seconded by Sandy Gamble. The motion carried unanimously 4-0.

Tab 6. Approval of the December 7, 2022, City Council Regular Meeting Minutes

Approved on the Consent Agenda.

VIII. RESOLUTIONS

Tab 7. Resolution 2022-23 – Capital Improvement Revenue Note Series 2022A for Aerial Fire Truck

Ms. Houghton made the following presentation:

On November 2, 2022, the City Council authorized staff to initiate the procurement of a new ladder truck for the City Fire Department in the amount of \$930,000 from E-One, and authorized staff to issue an RFP for funding, and to bring back a funding program for the purchase of the Fire Truck.

On November 18, 2022, the City issued RFP No. 2023-0006 for ten-year financing for the purchase of an aerial fire truck including related ancillary equipment for the aerial fire truck, and cost of issuance for the debt obligation. The RFP stated that the debt would be issued as a CBA (covenant to budget and appropriate). The RFP was issued with the following elements requested:

Amount: not to exceed \$1,000,000

- Bank Qualified Fixed tax-exempt rate for entire term of the Note*
- No pre-payment penalty*
- Security: CBA – Covenant to Budget and Appropriate*
- Rate: fixed*
- Term: 10 years*

On December 6, 2022, all received bids were opened publicly. Six proposals were received from the following entities:

- Citizens First Bank*
- JPMorgan Chase Bank, NA*
- Key Government Finance, Inc.*
- Synovus Bank*
- TD Equipment Finance, Inc.*
- Truist Bank*

The bids were reviewed and evaluated by the City's Financial Advisor, Mark Galvin of Hilltop Securities, and City Staff. Proposals were ranked according to RFP requirements and overall benefit to the City of Tavares. It was determined that TD Equipment Finance, Inc. provides the best overall benefit to the City of Tavares. The rate is 3.53%.

The City's Financial Advisor, Mark Galvin of Hilltop Securities, has provided a recommendation letter with a summary and tabulation of the bids received.

Steven Miller of Nabors, Giblin & Nickerson, P.A., as Bond Counsel has prepared the Resolution for the Bank Loan, and has provided the Loan Agreement, approved by TD Equipment Finance, Inc., the City Attorney, and City staff.

Staff recommends Option 1, for the Council to award Bid No. 2023-0006 to TD Equipment Finance, Inc., and Approve Resolution No. 2022-23, and authorize the Mayor and Staff to execute the Capital Improvement Revenue Note, Series 2022A in the amount of \$976,000, including closing costs with TD Equipment Finance, Inc. to purchase an Aerial Fire Truck with related ancillary equipment.

Mayor Price asked for comments from the Council.

Council Member Singer asked if the fire truck purchase was to replace an aging truck the City currently owns. Ms. Houghton confirmed.

Council Member Singer asked Chief Keith to explain the need for the truck to the audience. Chief Keith said the City was approached by its fire truck vendor regarding the opportunity. The fire truck was initially ordered by another entity that backed out of the purchase. The vendor offered the truck at a demonstration model discount to Tavares. The truck was not built to date and was in a cueing order phase. Chief Keith said the City's existing ladder truck was purchased in 2008 from Pierce Manufacturing in Wisconsin and is in reserve status. The NFPA National Fire Protection Association recommendation was for a fire truck to be categorized in a first-line operation for ten years, go into reserves for the following ten years, and then retire and liquidate. Chief Keith said the City included a ladder truck replacement in the capital improvement list at the cost of \$1.3 million dollars. The new fire truck would save monies long-term, and staff felt it was prudent to bring the opportunity to the Council for consideration. Council Member Singer asked if the City would sell the existing truck. Chief Keith confirmed. He said if the City ordered a new truck through the normal process, it would take 2.5 years to complete at a higher cost. Chief Keith said the new ladder truck would be built in Ocala, Florida, and was scheduled for a late 2023 completion date.

Vice Mayor Gamble asked Chief Keith to elaborate on which buildings would require a ladder truck. Chief Keith noted many buildings along Main Street were considered high-rise, as well as Osprey Lodge, Waterman Advent hospital, and two-story dwellings. Mr. Drury said the fire truck would be utilized for all residents and businesses in the community and could maneuver over power lines and difficult-to-reach areas, serving the entire community as a versatile piece of equipment.

Council Member Pfister asked how many miles the current ladder truck has. Chief Keith said the fire truck had 105,000 hard miles gained from answering calls. Council Member Pfister asked if churches, hospitals, and county buildings paid fire assessment fees. Mr. Drury said no, and noted that assisted living facilities, the business community, and residents pay fire assessment fees. All utilize fire services, police services, public works, and all government departments. Council Member Pfister asked if regular fire trucks

have a ladder. Chief Keith confirmed that they have smaller ladders that would serve two-story buildings.

Council Member Singer inquired about other finance and purchasing options. Ms. Houghton said the City checked with the fire truck provider, which had rates closer to 5% and associated Cost of Issuance costs. Council Member Singer asked if saving the funds would take over ten years. Ms. Houghton confirmed and said the Council was putting money into Reserves each year. She said the City is just under the GFOA recommendation, which would have to be considered, and an increased amount would need to be budgeted into Reserves. She confirmed that saving for the purchase would tax the current residents for an item that usually takes ten to fifteen years to purchase. Mr. Drury said that by financing the truck, future residents who are not here today will contribute their fair share to the fire truck's cost instead of putting it on the back of the taxpayers today and not future taxpayers. Financing the purchase allows everyone to pay their proportionate fair share, even the ones coming in the next five to ten years.

Vice Mayor Gamble inquired about the impact on insurance coverage should the current ladder truck cease operating. Chief Keith said ladder truck aerial devices provide significant credit toward the City's ISO rating. Mr. Drury said insurance would increase for residential homeowners and businesses if the ISO rating went down to 4 or 5. Chief Keith noted the City is currently rated at 3 points. Vice Mayor Gamble asked if those increases city-wide would be more than what the City would pay for the truck. Chief Keith confirmed.

Council Member Pfister asked if neighboring cities have ladder trucks. Chief Keith confirmed Eustis, Mount Dora, Leesburg, and Lake County have fire trucks. He noted the County ladder truck is located at the county's south end.

Mayor Price said he sees the benefit of taking out the loan for the ladder truck purchase even though his philosophy is for no new debt. He said people have asked why ARPA funds are not re-appropriated for the purchase. Mr. Drury said contracts have been issued for the ARPA projects and noted the associated project reserves would not be enough to fund the purchase of the fire truck. Mayor Price asked if the sale of the current fire truck could pay off the loan. Mr. Drury said the current fire truck would be sold as surplus through a bid process, and Council could designate the sale funds in a restricted fund to help pay off the debt.

Mr. Galvin noted an early payoff would have to be the full amount of the existing loan for no pre-payment penalties.

Mr. Drury said that if approved, the Council would have the option to keep the old truck and maintain it to today's standards or sell it at the current rate. Some dollars would be realized that could be placed in a restricted fund or where the Council wishes. Council Member Singer said the truck sale could offset the budget for payment.

MOTION

Troy Singer moved to approve Option 1, awarding Bid No. 2023-0006 to TD Equipment Finance, Inc., approve Resolution 2022-23, and authorize the Mayor and Staff to execute the Capital Improvement Revenue Note, Series 2022A in the amount of \$976,000, including closing costs with TD Equipment Finance, Inc. to purchase an Aerial Fire Truck with related ancillary equipment. The motion was seconded by Sandy Gamble.

Vice Mayor Gamble noted cost savings and citizen safety by purchasing the truck. Mayor Price said the City would save \$400,000 and noted truck costs would increase in the future. Council Member Singer said a loan is a way to spread payments to the citizens who would utilize the item.

The motion carried unanimously 4-0.

IX. ORDINANCES – PUBLIC HEARING

First Reading

Second Reading

Tab 8. Ordinance 2022-17 – Amend Chapter 17 of the Land Development Regulations to Approve Water/Wastewater Interim User Fee Rate Increase

Ms. Houghton made the following presentation:

In order to meet revenue sufficiency requirements for Water, Wastewater, Reclaim, and Stormwater debt (bank loans, bonds, and State Revolving Fund Loans) in the current economic environment experiencing historical inflationary trends, an interim utility sufficiency rate review for the Utility Funds was accomplished in advance of the scheduled comprehensive rate study schedule accomplished every five (5) years.

A Rate Study was completed in May 2009 and presented to the City Council on June 18, 2009. This study recommended automatic annual rate increases for water, wastewater and reclaim water of 1% + CPI. The City Council approved this recommendation.

A subsequent Rate Study was completed in September 2014, and presented to the City Council on November 9, 2014. This Rate Study recommended no change to Ordinance 2009-22, therefore automatic rate increases of 1% + CPI remained in effect. The City Council approved this recommendation.

On August 21, 2019, a five-year Rate Study was presented to the City Council by the City's Rate Consultants, Mike Rocca, Principal Consultant, and Joe Williams, Senior Consultant of Raftelis. The Study recommended a small decrease in water rates, but a small increase in wastewater rates. The Study recommended

suspending the automatic 1%+CPI increases until October 2023 and implementing the proposed rates that provided for an average combined rate increase over a four-year period of approximately 1.95% for a residential customer with monthly consumption of 4,000 gallons. The City Council approved the study, and adopted Ordinance 2019-18.

A full-scale rate study which is accomplished every five years to ensure revenue sufficiency compliance for operations and debt service covenant requirements is scheduled and budgeted to be accomplished in Fiscal Year 2023. The study is anticipated to be completed in the fall of 2023. Due to the current national economic environment as well as that in Florida, and locally experiencing inflation rates at historical levels, the City requested the City Rate Consultant to provide an interim revenue sufficiency rate review to ensure rate sufficiency compliance would be maintained.

The City's rate consultants of Raftelis, Mike Rocca, Principal Consultant, and Joe Williams Senior Consultant, prepared an interim rate sufficiency review, and have recommended a rate increase of 5% for Wastewater rates. The study did not recommend an interim rate increase for water or reclaimed services. This rate would be implemented and effective for the first full billing period starting January 1, 2023. A full comprehensive rate study will be in progress during the fiscal year 2023, and the study results of the study will be brought back to the City Council for review and consideration for approval.

Proposed Ordinance 2022-17 is attached containing Exhibit "B2" which provides a detailed schedule of the proposed recommended increase.

Staff recommends Option 1, for Council to approve Ordinance 2022-17 which implements the recommended interim Utility Rate Sufficiency Review recommendations.

Mike Rocca, Raftelis Financial Consultants, presented a PowerPoint Presentation including some of the following highlights:

- The Utility Enterprise is required to generate revenues to be self-sufficient, mainly to fund:
 - Operating and Maintenance expenses
 - Debt Service and Coverage
 - Non-operating expenses
 - Maintain adequate balances in reserve accounts
 - Renewals and Replacements
 - Capital improvements
- Recent national and local economic conditions, mainly inflation, are impacting the Utility Enterprise's financials
- Since minimal rate adjustments occurred in fiscal year 2021/22 and none were scheduled for fiscal year 2022/23, the City requested an expedited revenue

sufficiency review of fiscal year 2022/23 in advance of a to-be-scheduled comprehensive rate study

- Recommendations include:
 - Increase each of the wastewater rates by 5.0 percent
 - Have the increased rate effective as of the first full billing cycle starting January 1, 2023
 - Notify all wastewater ratepayers of the increase pursuant to F.S. 180.136
 - Authorize a comprehensive rate study to specifically identify future capital improvement funding and rate adjustments

Mr. Drury asked for the recommended increase in water rates included in the proposal. Mr. Rocca said there were no increases for water, no increases for reclaim, and no increases for stormwater. Mr. Drury asked if the only increase was for wastewater at 5% while a comprehensive study is performed during the summer. Mr. Rocca confirmed.

Vice Mayor Gamble asked for confirmation that the difference is \$2.06 on 4000 gallons of wastewater. Mr. Rocca confirmed.

Council Member Singer said the City's infrastructure was in better condition than surrounding areas. Mr. Clark said the Tavares infrastructure was in good shape and what had not been completed was identified.

Mr. Rocca said the City received phenomenal SRF interest rates for infrastructure improvements which have kept rates down.

MOTION

Lori Pfister moved to approve Ordinance 2022-17, seconded by Troy Singer.

Mayor Price asked if the 5% increase was not approved would the next increase be significantly higher. Mr. Rocca confirmed. Ms. Houghton said rates were billed on tiers and the first tier ends at 3000 gallons.

The motion carried unanimously 4-0.

X. GENERAL GOVERNMENT

Tab 9. Sister City Invitation

Mr. Drury made the following presentation:

Attached is an invitation from Tavares Sister City to the Tavares Mayor inviting the Mayor to attend the 2023 Smart City Summit & Expo scheduled for March 28th - April 1, 2023 in Taiwan. The conference, airfare, hotel and transportation costs from hotel to the event are covered by the Taipei organizers of the event.

Where it has been 12 years since Tavares has sent a representative to this

Sister City, Taipei representatives have been visiting Tavares City Hall each and every year. The Tavares Sister City Horizon Team has met on this invitation and recommends sending current Mayor Walter Price if he is available to attend.

Mayor Price said the invitation was an excellent opportunity and noted he would have to decline. He asked if Vice Mayor Gamble or another Council member could like to attend the 2023 Summit and Expo in his place.

Vice Mayor Gamble, Council Member Pfister, and Council Member Singer said they could not attend.

Council Member Pfister and Council Member Singer inquired about the City Administrator and a Department Director attending and opened the opportunity by inviting representatives from the Tavares Chamber of Commerce and Lake County Golden Triangle Rotary Club.

Mr. Drury said he would organize a delegation from the City, the Chamber, and the Rotary.

MOTION

Troy Singer moved to explore the possibility to put together a delegation to travel to Taiwan and brought back at a future meeting for discussion, seconded by Lori Pfister. The motion carried unanimously 4-0.

XI. NEW BUSINESS

XII. OLD BUSINESS

Council Member Pfister said she would like to hold one meeting on the first Wednesday in December 2023 due to the holiday season. Mr. Drury said holding one meeting in December and January would comply with the City Charter and provide time to compile the meeting agendas.

Mr. Drury noted Council Member Grenier advised he had previously planned to be traveling during the meeting and was unable to attend. A discussion was held on holding emergency meetings if needed and noticing requirements.

MOTION

Lori Pfister moved to hold one meeting in December 2023 (First Wednesday), and one meeting in January 2024 (Third Wednesday), seconded by Sandy Gamble.

Vance Jochim, 12619 Milwaukee Avenue, Lake County, said Council pay should be cut if they attend less than two monthly meetings. Mr. Drury noted that the Council works and is available 365 days per year, not just during meetings.

The motion carried unanimously 4-0.

XIII. AUDIENCE TO BE HEARD

Vance Jochim, 12619 Milwaukee Avenue, Lake County, discussed and provided a handout to the Council on employee wages.

XIV. REPORTS

Tab 10. City Administrator Report

The City Administrator and Department Directors wished those present a Merry Christmas and Happy New Year.

Tab 11. City Council Member Reports

Vice Mayor Gamble

- Asked Mr. Clark to ensure a utility lid was level with the road on Wells Avenue.
- Inquired about the Woodlea utility extension to the Peninsula, Mr. Clark said he hoped to obtain a schedule from the contractor in January
- Said the Christmas lights downtown look great
- Noted his gratitude for Officer Bannick's recovery.

Council Member Singer

- Noted first responders put their lives on the line each day. He asked Chief Coursey to pass along his gratitude to Officer Bannick and said she was saving lives by bringing awareness to fentanyl. He said he was grateful Officers Mahaney, O'Shea, and Brown were present to assist Officer Bannick.
- Said the Christmas lights downtown look great.

Mayor Price

- Noted his gratitude for Officer Bannick's recovery
- Noted Fire Department Captain Luckock would be retiring in January.

Each Council member wished those present a Merry Christmas and Happy Holiday Season.

XV. ADJOURNMENT

There was no further business and Mayor Price adjourned the meeting at 5:31 p.m.

Respectfully,

Susie Novack, MMC, FCRM
City Clerk