

**MEETING OF THE CITY COUNCIL  
PLANTATION, FLORIDA**

**MAY 6, 2009**

The meeting was called to order by Councilwoman Bendekovic, President of the City Council.

1. Roll call by the City Clerk:

Councilmember:	Diane Veltri Bendekovic Robert A. Levy Peter S. Tingom Sharon Moody Uria
Mayor:	Rae Carole Armstrong
City Attorney:	Donald J. Lunny, Jr.
Absent:	Jerry Fadgen

\* \* \* \* \*

2. The invocation was offered by Councilwoman Bendekovic.

A moment of silence was observed in remembrance of Charles Ayers, Murray Siegel, and Peter Fullick.

The Pledge of Allegiance followed.

3. The City Council Minutes for April 15, 2009 were approved as printed.

4. The City Council Minutes for April 22, 2009 were approved as printed.

\* \* \* \* \*

**ITEMS SUBMITTED BY THE MAYOR**

Mayor Armstrong read a Proclamation designating May 7, 2009 as *The National Day of Prayer* in the City of Plantation.

\_\_\_\_\_

Mayor Armstrong announced the Mayor's Prayer Breakfast would be held on May 20, 2009 at the Renaissance Hotel at 8:00 a.m. Tickets are available through the Chamber of Commerce.

\_\_\_\_\_

Mayor Armstrong read a Proclamation designating May 17 through 23, 2009 as *National Public Works Week* in the City of Plantation.

The Proclamation was accepted by Frank DeCelles, Public Works Director.

---

Mayor Armstrong introduced Elke Kurtz, President of the Plantation Woman's Club, who presented a check of \$10,000 for the fountain at Plantation Central Park.

Music Scholarships were also presented to the following students:

- Ainsley Hutchenson                      St. Thomas
- Jenna Mueller                              Nova High

College Scholarships were presented to the following students:

- Stephanie Nieset                          South Plantation High
- Joel Robinson                              Nova High

Congratulations were offered.

---

Betty Cobb announced the Plantation Woman's Club, the Historical Society, and Friends of the Library will sponsor a 12-day trip to five countries beginning in Germany and ending in Budapest. The trip is open to anybody. She noted there would be a preview at the Helen B. Hoffman Library on Monday, May 11, 2009, at 7:00 p.m. The trip is all inclusive at a base price of \$3,400.

---

On behalf of Brett Butler, Director of Engineering, Mayor Armstrong announced that the meeting to discuss the traffic situation, road closure on NW 74<sup>th</sup> Avenue and the neighborhood surrounding Liberty Tree Park is scheduled for May 14, 2009 from 7:00 p.m. to 8:00 p.m. in the City Hall Council Chambers.

\* \* \* \* \*

Mayor Armstrong announced the appointment of Ron Kall to the Unsafe Structures Board.

Mr. Lunny read Resolution No. 10543 by title.

**Resolution No. 10543**

**RESOLUTION** appointing Ron Kall to the Unsafe Structures Board of the City of Plantation

***Motion by Councilwoman Uria, seconded by Councilwoman Bendekovic that Resolution No. 10543 be approved and adopted. Motion carried on the following roll call vote:***

Ayes: Levy, Tingom, Uria, Bendekovic  
Nays: None

\* \* \* \* \*

Councilman Tingom announced the following appointments:

Tanis MacKay-Bell	Educational Advisory Board	replaces William Hanes
July Holland	Library Board	re-appointment
Ozell White	Parks & Recreation Board	replaces Steve Merritt
Robert Horland	Parks & Recreation Board	replaces Jayne Flanagan
Dwight Brady	Plantation Gateway Board	re-appointment

\* \* \* \* \*

## CONSENT AGENDA

Item #9 was removed from the Consent Agenda for further discussion.

Items #16a and 16b were added to the Consent Agenda.

As a Commissioner of the CRA, Mayor Armstrong had a voting privilege on Items 15 and 16.

Mr. Lunny read the Consent Agenda by title.

5. Approve continued participation in the Southeast Florida Co-operative Bid to supply water meter boxes and parts from Ferguson Enterprises, July 18, 2009 through July 18, 2010. (Budgeted – Utilities)
6. Award purchase order in favor of Rockline Vac Systems Inc. to remove surface debris from Gulfstream Master Lift Station for a price not to exceed \$21,000. (Budgeted – Utilities)
- Resolution No. 10544**
7. **RESOLUTION** to enter into a prequalified Joint Participation Agreement with the State of Florida Department of Transportation.
- Resolution No. 10545**
8. **RESOLUTION** to apply for the 2009 Byrne Justice Assistance Grant (JAG) Program through the Broward Sheriff's Office.
- Resolution No. 10546**
10. **RESOLUTION** confirming a Plantation City Lien of Utilities Service Charges for 9610 Conch Shell Manor. (Bissainthe)
- Resolution No. 10547**
11. **RESOLUTION** confirming a Plantation City Lien of Utilities Service Charges for 400 Holly Lane. (Morales)
- Resolution No. 10548**
12. **RESOLUTION** confirming a Plantation City Lien of Utilities Service Charges for 11760 NW 27 St. (Falzarano)

**Resolution No. 10549**

13. **RESOLUTION** to award Catalytic Strategy Grant Payment of \$60,000 to Fozzler, LLC for acquisition and interior renovation of property located at 930 S State Road 7, having the appropriate City Officials execute same and authorizing the City Administration or City Attorney to make minor revisions thereto; and providing an effective date therefor.

**Resolution No. 10550**

14. **RESOLUTION** of the City of Plantation, Florida, pertaining to the subject of municipal assessments; relating to a project commonly known as the Plantation Acres Roadway Project 2009/2010; declaring the official intention of the City of Plantation, Florida, to reimburse from the proceeds of tax-exempt bonds or notes, certain capital expenditures to be paid by the City for the Plantation Acres Roadway Improvement Project 2009/2010; describing such expenditures; and providing an effective date.

**Resolution No. 10551**

15. **RESOLUTION** approving the expenditures and appropriations reflected in the Weekly Expenditure Report for the period April 16, 2009 through April 22, 2009.

**Resolution No. 10552**

16. **RESOLUTION** approving the expenditures and appropriations reflected in the Weekly Expenditure Report for the period April 23, 2009 through April 29, 2009.

- 16a. Approve road resurfacing project for Sunrise Heights, Mirror Lakes and Omega Village by Cutler Repaving, Inc. for \$1,041,357.67, piggy-backing on their contract with Hillsborough, Florida.(Budgeted - Road and Traffic Control Fund)
- 16b. Approve re-striping project for Sunrise Heights, Mirror Lakes and Omega Village by High Tech Striping, Inc. for \$51,112.00, piggy-backing of their contract with the Florida Department of Transportation. (Budgeted – Road and Traffic Control Fund)

***Motion by Councilwoman Uria, seconded by Councilman Tingom, to approve tonight's Consent Agenda as presented. Motion carried on the following roll call vote:***

Ayes: Levy, Tingom, Uria, Bendekovic  
Nays: None

**Note:** Mayor Armstrong voted affirmatively on Items 15 and 16.

\* \* \* \* \*

9. **RESOLUTION** to appoint the fifth member to the City of Plantation's Police Officers' Retirement Board. (Zirk)

Mr. Lunny read the Resolution by title.

Councilwoman Uria noted that Mr. Zirk resides in Hallandale Beach and she questioned whether the appointee was required to live in the City in order to serve on the Board.

Councilwoman Bendekovic advised she asked the same question and was told by the Pension Board Attorney that it was not stated in the by-laws that the individual had to live in the City.

Mayor Armstrong noted that on the General Employees' Retirement Board and the Firefighters' Retirement Board, the 5<sup>th</sup> member must be a resident. However, she was uncertain whether that is the case on the Police Pension Board.

Mr. Lunny was requested to research the matter and report at the next meeting.

***Motion by Councilman Tingom, seconded by Councilwoman Uria, to defer this item to the City Council Meeting of May 20, 2009. Motion carried on the following roll call vote:***

Ayes: Levy, Tingom, Uria, Bendekovic  
Nay: None

\* \* \* \* \*

**ADMINISTRATIVE ITEMS - None**

\* \* \* \* \*

**LEGISLATIVE ITEMS - None**

\* \* \* \* \*

**QUASI-JUDICIAL CONSENT AGENDA - None**

\* \* \* \* \*

**QUASI-JUDICIAL ITEMS**

17. THIS ITEM WAS REMOVED FROM THE AGENDA.

\* \* \* \* \*

**CONSIDERATION OF COUNCILMEMBERS' COMMENTS**

Councilman Tingom advised he had the pleasure of attending two grand openings in the City of Plantation. He felt both were positive additions to the business community in the City.

---

Councilman Tingom also attended many of the GRADE graduations ceremonies and commended the Police Department for sponsoring this program, working with the 5<sup>th</sup> grade children in the City.

\* \* \* \* \*

Councilwoman Uria presented a brief update on the Plantation Equestrian Foundation, which has raised funds to disburse for clinics, riding programs and grants for shade trees at the Equestrian Park. She presented Council members with the official glass of the 135<sup>th</sup> running of the Kentucky Derby.

\* \* \* \* \*

Councilman Levy commented on legislation that was recently passed by the Legislature. It is now awaiting the governor's signature. He advised there is a change in the Sadowski and State Housing Initiatives Partnership Program whereby mobile homes are now eligible. Up until this bill, mobile homes were not eligible for housing improvement money. This also includes rehab or relocation so that if a mobile home park is closed, there will be more state money available for relocation but if a mobile home park owner or a mobile home owner wants to improve their park in order to stay there, there is money available now through the State Housing Initiatives Partnership Program.

---

Councilman Levy advised that BSO has a new program called Cyber Visor. BSO will send e-mail or text messages to anyone who signs up for this program on their mobile device, laptop or computer about topics that may affect any residential or business neighborhood in Broward County, any criminal activity, traffic information, upcoming events, security issues or important safety information. Residents can sign up to receive breaking news or a monthly message from Sheriff Al Lamberti by visiting [www.Sheriff.org/Cybervisor](http://www.Sheriff.org/Cybervisor).

\* \* \* \* \*

Mayor Armstrong announced that Congresswoman Debbie Wasserman Schultz is doing a Small Business Workshop on Saturday, May 23, 2009 at the Broward County Convention Center from 8:00 a.m. to 3:00 p.m. She noted the City has consistently been trying to get the information out to the small businesses when activities like this are held to provide them with the venue through which they can get information about the stimulus money that might potentially be available to them in support of their needs as small businesses.

---

Mayor Armstrong also commented on a hard-hat tour she had today of the residences that are being constructed at the Fountains. She emphasized how exciting it is to have a project like that under construction and development in the City. She underscored it will be an absolutely beautiful structure and the interiors that are planned there are phenomenal. She was hopeful for the success of this project and that Phase 2 would begin as soon as this one is completed. The indicators are all good and positive.

---

Mayor Armstrong recommended the appointment of Councilman Tingom to serve on the Firefighters' Pension Board.

***Motion by Councilwoman Uria, seconded by Councilman Levy, to appoint Councilman Tingom to serve on the Firefighters' Pension Board. Motion carried on the following roll call vote:***

Ayes: Levy, Tingom, Uria, Bendekovic  
Nays: None

\* \* \* \* \*

Councilwoman Bendekovic requested an update at the next Council Meeting on the traffic situation at Best Buy.

It was Mayor Armstrong's understanding that money has been set aside. It is a matter of getting the design work done by Broward County. A similar project in the right-of-way on Pine Island Road is contingent on small median modifications.

Councilwoman Bendekovic also requested an update on Nob Hill and Hiatus traffic signal.

Mayor Armstrong advised they are moving along pursuant to County timelines.

---

Councilwoman Bendekovic also commented on the Code Enforcement of the bulk pick-up.

Mayor Armstrong indicated there has been some conversation at the Code Enforcement level as to whether some of those topics could be handled through citations.

Mr. Keefe advised a meeting took place this afternoon with Attorney Quentin Morgan and the individuals with Code to discuss using the citation program and bulk pick up.

---

Councilwoman Bendekovic briefly discussed foreclosures.

Mr. Lunny advised there are two different aspects. The principal concern is that banks during the period of the foreclosure do not generally desire to exercise their contractual right to go on property and cure violations because it is money out of their pocket that they may not recover by the sale of the security. The other issue is that cities such as Plantation have a super priority provision for their Code Enforcement liens and there is concern that it is impairing security and requiring banks to come out of pocket. They cannot eliminate these City liens by virtue of the foreclosure proceedings. He was uncertain whether these efforts will fail or succeed but the City has adopted in its Code Enforcement Ordinance a strategy to try to adjust the lien automatically for certain lenders who did not receive notice of Code Enforcement proceedings and give them a 45-day time period to cure. The City is asking the court to authorize self-help by the bank in case the owner is objecting and the idea would be that if it gets solved within the 45-day period, the City will only take the adjusted lien amount. If it is not solved within the 45-day period, the fine continues to run. He was uncertain whether the State will be inclined to legislate on the topic or not.

\* \* \* \* \*

**PUBLIC REQUESTS OF THE COUNCIL CONCERNING MUNICIPAL AFFAIRS - None**

\* \* \* \* \*

**WORKSHOP**

18. DISCUSSION CONCERNING WATER CONSERVATION RATES, 2009.

**A memorandum dated April 30, 2009 to Mayor and Members of City Council from Hank Breitenkam, Director of Utilities, follows:**

Water is vital to all life on planet earth. This is a simple statement from Biology 101, but it is also an integral component of what we do as a city in the provision of municipal services. Indeed, our citizens could not live in communities like Plantation if it were not for the distribution of potable water and adequate wastewater treatment and disposal.

In the last century and leading into the 21<sup>st</sup> century, we as Americans have generally taken these services for granted and have not realized, paid for, or planned for the full cost of the production of these services or for their planned replacements.

In addition to the mandates of the South Florida Water Management District (SFWMD) for utilities to identify and utilize alternative water supplies for the provision of service to our 2025 population, the threat of global warming on our environment and its relationship to the utilization of non-renewable energy sources for the treatment of water, are issues that this city is not alone in addressing.

To produce the high quality water that our Plantation water plants produce, it takes a lot of energy, not only for the production of materials and equipment used in the treatment process but also for the production of chemicals we use for the pumping of water from the ground through the treatment process and ultimately into the distribution system for consumption by our citizens.

The system of pipes used for the distribution of water in Plantation ranges in size from 2" to 30", and the pipes used for the collection and transmission of sewage range in size from 6" to 30". All these pipes as well as our water and wastewater treatment plants have useful life spans for which we must budget funds for their orderly rehabilitation or replacement.

So as a city providing these essential services, we are tasked not only with being stewards of our most precious natural resources but also with being business managers for the treatment, delivery and collection of the water required for such service.

Following our last system rate review in 2006, we noted that we would review the rates again in two to three years and take into account our ten-year capital improvement projects to assure sufficient funding is provided.

I have directed our rate analyst, Public Resource Management Group, Inc. (PRMG), to make this referenced review. Their very comprehensive study and recommendations were provided.

Fully contained in PRMG's recommendations are the business initiatives (rates) we must put into place in order to assure we can successfully continue to provide essential and outstanding water and wastewater service to our citizens and businesses.

Fully contained also are the stewardship initiatives we must take in order to reduce our community's water consumption in order to be in line with SFWMD mandates, but also in order to reduce water treatment's energy consumption to ameliorate the effects of global warming. The rate recommendations reflect a comprehensive water conservation rate structure where higher water consumption levels reflect higher cost per thousand gallons.

Let there be no doubt about it: The cost of water is going up. However, with the conservation rate structure our citizens and businesses also have the ability to reduce their consumption and, accordingly, reduce their monthly costs versus the would-be cost of their past water usage history. Such reduction is quite possible if we change the way we think about and use water through our daily habits, by the gradual redesign of our landscaping to reduce turf, and increase landscaped areas with Florida drought-tolerant plants and by beginning to replace high water use plumbing fixtures with high efficiency units.

Thank you for your consideration of this matter.

---

Mayor Armstrong advised that Councilman Fadgen, who is on vacation, will be briefed with the same information that is being presented this evening.

She noted the first reading of this proposed Ordinance has been scheduled for May 20, 2009. She acknowledged Bryan Mantz and Rob Ori with Public Resources Management Group, Inc. who formulated this information.

She advised the City is acutely aware of the individual and the collective economic conditions at this time, and noted there is never a good time to increase rates. She advised they have recommended a phasing in order to meet the needs that have been determined to be inherent in the system. By implementing in phases, which would be now and in 2011, they are taking into consideration the economic conditions that exist today. They are approaching this not because they prefer to do it but because it is an absolute necessity that they look at a rate increase at this time. Most of the municipalities are finding themselves in a very similar position. However, the City has to recognize that they have 50-year-old infrastructure that needs to be replaced. They have worked conservatively with it over a period of time and this is the time it has reached its maximum in terms of needing to be replaced. The actual maintenance cost on many of the everyday systems has obviously increased and the City has not had a rate structure that has kept up with that cost. The water and wastewater systems are functioning under some very significant state mandates and requirements for today and into the short-term future. In order to meet the obligations of the state mandates, the City will have to plan now for things that are going to need to be done four and five years out. Because of the huge cost associated with them, if they are not considered very carefully, the City will find itself in an extremely difficult position in the immediate future.

Mr. Breitenkam presented a brief overview as outlined in the aforementioned memorandum.

Mr. Mantz, supervising consultant with the firm, was present to discuss the results of their water and wastewater rate study. He noted the discussion would include the utility rate guiding principals they were considering while performing their analysis, major issues affecting the system, capital improvement needs, alternative water supply plan, financial forecast, and user rates.

A copy of the report is on file in the City Clerk's office.

In 2006, they conducted a "breakeven" rate analysis, the results of which were for a 15.5 percent combined rate adjustment. No significant capital funding was built into the rates. They expected to return after a few years with a multi-year financial plan. Therefore, in 2009 they prepared the financial forecast and evaluated the need for user rate adjustments. They have also redesigned user rates to further promote water conservation.

In response to Councilwoman Uria, Mr. Mantz indicated that the Revenue Generation Fund was not the Enterprise Fund. It was set aside as part of receiving a grant, and as a condition of receiving that grant, the Utility had to set aside a certain amount of money each year. The requirement for those deposits was repealed in 2001 and the cash was freed up and available to use for other system purposes.

Mr. Mantz indicated the revenues at this time are basically insufficient to fund all the Utility revenue requirements. The Utility Operating Reserves are subsidizing operations. Revenue shortfalls are partially due to SFWMD water restrictions. The Utilities Department also needs to fund \$113.6 million in capital improvements through 2014. In addition, there is a potential need to implement the alternative water supply plan.

Mr. Mantz emphasized it is important that the Utility remains in compliance with its debt obligations. They have recommended a 150% "All-In" coverage target which will cover both senior and junior lien obligations. It is also vital to make sure the Utility has adequate operating reserves.

With regard to the Capital Improvement Program for FY2009 to 2014, Mr. Mantz noted over 70% of the \$113.6 cost is for repairs and upgrades to the existing system with only 27% actually being for the alternative water supply plan.

Mr. Mantz reviewed the Alternative Water Supply Plan noting that SFWMD has capped the City's permitted withdrawals from the Biscayne Aquifer at 17.4 million gallons per day. The tentative cost will be \$31.1 million. The design is anticipated to begin in 2011. The alternative water supply plan depends upon increased water conservation measures to reduce projected raw water use by approximately 6%.

With regard to the Financial Forecast, they looked at fiscal years 2009 – 2014 to identify trends, issues, and cost recovery strategies. He also commented on the revenue requirements of the system or the total expenditures that must be funded from rates. They must maintain the financial sustainability of the Utility.

Mr. Mantz reviewed the Capital Funding Plan and advised approximately 74% of the Capital Improvement Program, primarily renewals and replacements, is anticipated to be funded with debt. The Utility is currently involved in applying for some state revolving loan funding which has very favorable interest rates and lower issuance costs. Unfortunately, many municipalities are competing for this available money through the SRF program, there was some uncertainty as to whether the City of Plantation would be able to secure some of it.

In response to Councilwoman Bendekovic, Mr. Mantz advised the SRF loan will be fully paid by the end of Fiscal Year 2010 and the 2002 bonds will be fully paid by the end of Fiscal Year 2011. The payment for the 2002 bonds is about \$5.6 million and the annual payment for the SRF loan is \$800,000. Once that debt service goes off line, it will free up a lot of debt capacity for the system. They are assuming that the payments on these additional bond issues would not start until after the 2002 bonds are fully paid.

Discussion continued with regard to the Golf Course. Mr. Breitenkam advised that coordination between the Golf Course Enterprise Fund and Utilities has been brought up. They will not make a lot of money on reused water. It cannot be sold at a high price. With regard to the pipeline, he noted they would definitely have to coordinate between the two golf courses.

Mr. Lunny clarified that the reason this water reuse is going to happen is because of the limits that are being put on the City as a whole or the water withdrawals from the Biscayne Aquifer. That number will likely go down in the future and it will be a Utility System requirement to develop an alternative use. Since it is a system requirement to do that, the cost for that system requirement was assigned to the system and the cost to the user of using the treated water has to be at a rate no greater than the rate that they already pay or there will be no incentive for them to use it. That is why this was initially assigned to the Utility in terms of the cost to develop the system and the distribution infrastructure because it is a system requirement generated by the State government.

Mr. Mantz advised that in their analyses, they targeted an "All-In" coverage which means the sum of both senior and junior lien obligations of 150%. This coverage target is supported by bond rating agencies.

Relative to project revenue adjustments, they are recommending a 20% revenue adjustment to be implemented as soon as practical with an additional 12.4 percent combined adjustment to become effective October 1, 2010. Although the 20 percent may seem like a sizable number, it really represents an additional \$7.36 per month for the average single family residential customer. These adjustments to the revenues do not reflect water use restriction surcharges. The City's rates will still be very competitive with those of neighboring utilities. He recommended the adoption of the first two years of revenue adjustments, not the ones for 2012 through 2014. The reason is because 2012 is really a time when the City would need to re-evaluate the "go" or "no go" on the alternative water supply plan and whether it needs to be implemented in 2012 or could it be deferred. Much of that depends on whether the customers are responding to the conservation rates and whether the raw water withdrawals are hitting close to the maximum permitted by the SFWMD or low enough that the program could be deferred a few more years or completely. He recommended the first two rate adjustments be implemented and then re-evaluate the capital needs and the alternative water supply needs in 2012.

In response to Councilwoman Bendekovic, Mr. Mantz advised the rate increases for 2011 are across the board. Everyone will have a 20% adjustment on the water side and a 6% wastewater adjustment or a combined rate adjustment of 12.4%. The \$7.36 is only applicable to the 20% overall.

Mr. Lunny explained it is the rate today increased by 20% and that increased rate will be the base on which the 12.4% is assessed. It will be \$6.60. The total in 2 years would be almost \$15. The 20% does not include the normal annual adjustment that the City has been doing. If that is removed, it is more like \$17. The rates of 20% and 12.4% will include Mr. Breitenkam not proposing the CPI for 2010 or 2011.

In response to Councilwoman Uria, Mayor Armstrong explained the charts show the breakdown between water and wastewater, if the resident is not using the wastewater portion of it, obviously the increase would be less.

Again, Mr. Mantz advised they are proposing the first two revenue adjustments and a re-evaluation in 2012.

Mr. Mantz advised the customer billing charge which recovers the cost of customer service has been integrated into the base facility charge in response to a lot of customers complaining. The purpose of this charge was to recover the cost of customer service. They have also added two additional price blocks so the rates have six blocks in total. They have increased the degree of inversion among price blocks.

In response to Councilwoman Bendekovic, Mr. Breitenkam advised they still send the bills to a company in Alabama to be mailed out. One year remains on the contract. They have experienced very few problems with this organization.

Councilwoman Bendekovic advised the only concern for the residents is the cost of sending the information elsewhere. They feel it would be more cost effective to do the billing on site.

Mr. Breitenkam advised they would definitely consider that before seeking another contract.

Mayor Armstrong advised when making the original decision to outsource, a large portion of the decision was based on the expense to replace the equipment and the labor to do the billing in house. Some staff positions were eliminated.

In response to Councilwoman Uria regarding on-line billing, it was advised there is still a customer service staff that needs to be maintained to address customer complaints.

Councilwoman Bendekovic suggested that perhaps an incentive could be offered to residents who receive and pay their bills on line.

Mr. Breitenkam advised the on-line phase for billing should be in effect approximately March 2010.

Mr. Mantz reviewed the rates being proposed to be placed into effect. The base facility charge for a single family residential customer or one equivalent residential connection is \$9.22 per account with the volumetric rate structure previously introduced. They are also proposing a wastewater base facility charge per account of \$11.86 and a consumption charge of \$3.32 per 1,000 gallons to be placed in effect as soon as practical. He also reviewed a comparison with other Florida Utilities of monthly charges for combined water and wastewater services for single family residential customers. He observed that even with the rate increase, the City of Plantation is substantially below the other Utilities.

Mr. Ori indicated the purpose of this structure is to recover certain fixed costs. It also serves as the minimum bill. He anticipated the rate adjustments they are proposing could start funding the Capital Improvement Program for the next two years.

Councilman Tingom commented that this is a penalty system for those who consume more water.

In response to Councilman Tingom, Mr. Ori indicated they anticipate some reduction in water usage and he was hopeful they could achieve the 6 percent. This rate structure has shown to be effective in encouraging water conservation.

Councilwoman Uria was under the impression that when they were considering increasing the rates 20 percent, that included the alternative water supply plan. It was her understanding that with that plan, they would need something as long as their conservation was not met.

Mr. Breitenkam commented on the amount of water they were using.

In response to Councilwoman Uria, Mayor Armstrong advised they are trying to get this on the agenda for first reading on May 20, 2009. The second reading will be on June 17, 2009. There is a 30-day notification period required on the utility bill. She noted that as far as the budget is concerned, the information they hope to be able to get out within the next two weeks should provide some indication as to a timeframe

Councilwoman Uria felt to make prudent decisions, they have to consider where they are going with the budget.

Mayor Armstrong was hopeful that they can meet the obligations in the short term and the long term, and felt this is the right thing to do at this particular time.

In response to Councilman Tingom who observed that the City is currently not breaking even on its water system, Mayor Armstrong explained it is not draining off the Reserve Fund but, rather, the Utility Reserve Fund. She noted when this study was commissioned, it was to go through 2014. However, it was scaled to look at the two years, which shows why this rate structure is needed. It was also meant to keep the City extremely competitive in terms of where the rates are with the system. In most instances, those rate increases have been upwards of 35 to 40 percent in other municipalities.

Mr. Breitenkam advised there is alternative water supply grant funding available and he was certain the City would have to do some form of alternative water supply.

Mayor Armstrong advised that none of the funds that came down through the Utility stimulus were pass-through funds. They are all competitive funds.

In response to Councilwoman Bendekovic, Mr. Breitenkam advised he was unaware of anyone in the county that did not have to address this issue.

\* \* \* \* \*

Councilwoman Bendekovic announced there would be no City Council meeting on May 13, 2009. The next City Council meeting is scheduled for May 20, 2009.

\* \* \* \* \*

Meeting adjourned at 9:50 p.m.

\_\_\_\_\_  
Diane Veltri Bendekovic, President  
City Council

**ATTEST:**

\_\_\_\_\_  
Susan Slattery  
City Clerk

**RECORD ENTRY:**

I HEREBY CERTIFY that the Original of the foregoing signed document was received by the Office of the City Clerk and entered into the Public Record this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_  
Susan Slattery, City Clerk