

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

March 20, 2013

The meeting was called to order by Councilman Robert A. Levy, President of the City Council.

1. Roll Call by City Clerk:

Councilmember:	Jerry Fadgen
	Ron Jacobs
	Robert A. Levy
	Lynn Stoner
	Chris P. Zimmerman
Mayor:	Diane Veltri Bendekovic
City Attorney:	Donald J. Lunny, Jr.

* * * * *

2. The invocation was offered by Councilman Jacobs.

The Pledge of Allegiance followed.

* * * * *

ITEMS SUBMITTED BY THE MAYOR

3. Election of City Council Officers

Motion by Councilman Jacobs, seconded by Councilman Fadgen, to nominate Councilman Levy as Council President and Councilperson Stoner as Council President Pro Tem. Motion carried on the following roll call vote:

Ayes: Fadgen, Jacobs, Stoner, Zimmerman, Levy
Nays: None

Mayor Bendekovic congratulated Councilperson Stoner and Councilman Levy.

* * * * *

Resolution No. 11662

4. **RESOLUTION** of Appreciation to Henry R. Breitenkam for 30 years of dedicated service to the City of Plantation.

Motion by Councilman Jacobs, seconded by Councilman Zimmerman, to approve Resolution No. 11662. Motion carried on the following roll call vote:

Ayes: Fadgen, Jacobs, Stoner, Zimmerman, Levy
Nays: None

* * * * *

Mayor Bendekovic presented Service Awards to the following Employees:

Shannon Smith	Finance	25 years
Mary Virginia Chiapel	Parks & Recreation	10 years
*Officer Daniel Marinas	Police	10 years
*Gilbert Beckford	Utilities	5 years
*Cherry Mae Lerio	Police	5 years
*Megan Moorman	Police	5 years
*Aiki Ramos	Fire/Rescue	5 years

*Unable to attend.

Congratulations were offered.

* * * * *

Sharon Kent, Parks and Recreation Assistant Director made the following announcements:

- The Aquatic Water Safety Day will be held on Tuesday, March 26, 2013 from 10:00 a.m. to 12:00 p.m.
- The Royal Easter Egg Hunt is on Saturday, March 30, 2013, at Pop Travers Field for ages 3 to 10.
- The Plantation Preserve will have an Easter Sunday Buffet; reservations are from 10:00 a.m. to 2:30 p.m.

* * * * *

Mayor Bendekovic made the following announcements:

- FP&L will be replacing sections of the underground power lines in the neighborhood of 1143 NW 85th Terrace. Work is scheduled to begin March 18, 2013 and continue through April 30, 2013. No disruption of power is expected. The project requires some digging and we are assured by FP&L that they will restore the property when work is complete.
- The annual closing of Federated Road, the road that runs behind the mall from South University Drive to Broward Boulevard, will be closed from 12:01 a.m., Sunday, March 31, 2013 to 12:01 a.m., Monday, April 1, 2013. Road barricades will be in place; only emergency vehicles will be allowed access.
- Spring Break Camp begins March 25, 2013 through March 29, 2013. There is space available at the Veltri Tennis Center and at the Plantation Equestrian Club.

- The Plantation Women’s Club Garden Fest will be on Saturday and Sunday, March 23 and 24, 2013; Saturday 9:00 a.m. to 5:00 p.m. and Sunday, 9:00 a.m. to 4:00 p.m. at Volunteer Park.
- Summer Camp forms are available starting April 1, 2013.
- The Plantation Farmer’s Market is every Saturday from 8:00 a.m. to 2:00 p.m. at Volunteer Park.
- The 60 and Fabulous cocktail reception and dinner dance will be on April 12, 2013 from 6:30 p.m. to 11:00 p.m. at the Renaissance Hotel.
- The FOP Collective Bargaining session will be on April 4, 2013.
- There will be an Executive Session on April 10, 2013 from 6:00 p.m. to 7:30 p.m. Councilman Zimmerman will be meeting with Jim Crosland at 5:30 p.m. and Councilman Fadgen will be meeting at 5:00 p.m. The Priority Based Budget Workshop will be held after the meeting rather than prior to the meeting because of the Executive Session.
- On April 24, 2013 the Council agenda item will include discussion of employees’ benefits. Comparison charts will be provided.
- On May 8, 2013 the General Employees and Police Pensions will be discussed. At that time Council will give direction as to where you would like to go with the pensions.
- Priority Based Budgeting will start on May 22, 2013 department by department. Attendance at these meetings is very important.
- The ribbon cutting for the EETC building at the East Water Treatment Plant is on Friday, March 22, 2013 at 10:00 a.m.
- She requested that everyone check their e-mails daily.
- The Swearing in Ceremony disks were provided and thanks were extended to Karin Walsh in the City Clerk’s office.

* * * * *

CONSENT AGENDA

As a Commissioner of the CRA, Mayor Bendekovic has a voting privilege on Item No. 12.

Item #7 was pulled from the Consent Agenda to be heard separately.

Mr. Lunny read the Consent Agenda by title.

5. Renaissance Charter School of Plantation is requesting permission to have a car wash and yard sale fundraiser on their property Saturday, April 6, 2013 from 7:30 a.m. until 2:30 p.m.
6. Soref Jewish Community Center is requesting permission to hold a special event on Sunday, April 21, 2013 from noon to 4:00 p.m. to celebrate Israel’s 65th Independence Day anniversary.

Resolution No. 11663

8. **RESOLUTION** confirming the appointment of Ronald S. Jacobs as City Treasurer; and providing an effective date therefor.

Resolution No. 11664

9. **RESOLUTION** for the appointment of a Utilities Director for the City of Plantation’s Utilities Department fixing the initial annual compensation to be paid for said Executive Position. (Flynn)

Resolution No. 11665

10. **RESOLUTION** approving the expenditures and appropriations reflected in the Weekly Expenditure Report for the period March 8 – March 13, 2013 for the Plantation Gateway Development District.

Resolution No. 11666

11. **RESOLUTION** approving the expenditures and appropriations reflected in the Weekly Expenditure Report for the period March 8 – March 13, 2013.

Resolution No. 11667

12. **RESOLUTION** approving the expenditures and appropriations reflected in the Weekly Expenditure Report for the period March 8 – March 13, 2013 for the City of Plantation’s Community Redevelopment Agency.

12a. **NON-AGENDA**

Request for a Special Permission Event: Praise Tabernacle International Community Outreach Event at 1050 NW 43rd Avenue, for an Easter Sunday service on March 31, 2013 from 10:00 a.m. to 3:00 p.m.

Motion by Councilman Jacobs, seconded by Councilman Fadgen, to approve tonight’s Consent Agenda as printed. Motion carried on the following roll call vote:

Ayes: Fadgen, Jacobs, Stoner, Zimmerman, Levy

Nays: None

NOTE: Mayor Bendekovic voted affirmatively on Item No. 12.

* * * * *

Mayor Bendekovic introduced Chuck Flynn and thanked Council for approving his position as the Director of Utilities.

* * * * *

Mr. Lunny read Item No. 7.

7. Council Acceptance of the City of Plantation Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended September 30, 2012.

A memorandum dated March 13, 2013 to the Honorable Dianne Veltri Bendekovic, Mayor, and Members of City Council, from Kristi Caravella, Finance Director, follows:

Consent Agenda Item for March 20, 2013 as follows:

COUNCIL ACCEPTANCE OF THE CITY OF PLANTATION COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012.

Mr. William G. Benson, CPA, Partner will represent our auditors, Keefe, McCullough & Co., LLP at the City Council meeting to answer any questions pursuant to this subject audit report.

If any City Council members have questions pertaining to, or want clarification to this report prior to the City Council meeting of March 20, 2013, please do not hesitate to contact me at your convenience.

Councilperson Stoner pulled this item and requested if this could be put in the next Consent Agenda.

Mayor Bendekovic advised that Council is accepting the item, not approving it.

Ms. Caravella indicated that the audit was received and this was, for the first time ever, the official CAFR, which is a Comprehensive Annual Financial Statement. This is a lot more extensive than what the City has done in past years, which is basic financial statements. We will be submitting the CAFR for the GFOA, the Government Finance Officer's Association Award, which we also will be doing with our budget for fiscal year 2014. She thanked staff in helping put the CAFR together. This is not a resolution; it is just disseminating the documents to Council.

Councilperson Stoner commented that the statement says Mr. Benson, CPA, would be available to answer questions.

Councilman Fadgen stated that there is a time frame to have this submitted and accepted.

Ms. Caravella advised that the State Statute says that the CAFR has to be completed, which is nine months after the end of the fiscal year; however, we have to disseminate the CAFR to many different entities and that is the process they are going to once it has been given to Council.

Councilman Levy continued the explanation by saying that this is the way the auditors and our independent auditing firms see our financial records. When we accept that we received the report we do not have the right to say yes or no to it. We can ask questions about it but it is an independent report of the auditors and we cannot change that. The accounting practices and the figures stay the same no matter what they are.

Ms. Caravella mentioned that no findings were received, which means everything was sound.

Dennis Conklin, resident, was present. He thanked the City for working with the public in disseminating this information. He understands that it will be available to the public as well.

Motion by Councilperson Stoner, seconded by Councilman Fadgen, to approve Item No. 7. Motion carried on the following roll call vote:

Ayes: Fadgen, Jacobs, Stoner, Zimmerman, Levy
Nays: None

* * * * *

ADMINISTRATIVE ITEMS

Mr. Lunny read Item No. 13.

13. DISCUSSION CONCERNING SOLID WASTE AND HOUSEHOLD RECYCLABLES COLLECTION/HAULING FRANCHISE.

A memorandum dated March 14, 2013 to Mayor and Members of the City Council, from Gary Shimun, Chief Administrative Officer, and Donald J. Lunny, Jr., City Attorney, follows:

I. Introduction

The overall subject of solid waste has been addressed by the City in a series of meetings commencing in the last quarter of last calendar year. At the March 20, 2013 City Council meeting, staff will seek direction from the City Council as to whether the City should competitively procure a new franchise for the collection/hauling of solid waste and household recyclables, allow an automatic existing contractual extension, or take some other action.

II. Background

The City has for many years maintained an exclusive franchise with Waste Management Inc., of Florida to collect that portion of the City's solid waste stream generally known as garbage and household recyclables. The current Franchise Agreement was approved by Ordinance No. 2432, and a copy of the current Franchise Agreement is attached as Exhibit "1". The Franchise Agreement covers a four-year initial term that expires on September 30, 2013. However, the Franchise Agreement automatically renews for an additional two-year period under the same terms *unless* either the Franchisee or the City give formal notice to the other of intent not to extend the Franchise. This notice must be given no later than 120 days prior to September 30, 2013. If the City desires to competitively procure a new collection/hauling franchise, Staff needs to start this administrative process by April 1, 2013. Staff has been advised that the current service provider desires to continue its arrangement.

Neither State law, nor the City Code, require that the City competitively procure entering into an exclusive franchise of this nature; however, entering into an exclusive franchise after competitive procurement decreases some of the legal and business risks inherent in an exclusive relationship. If the City elects not to seek competitive procurement, as has been done in the past, the Franchise Agreement should remain relatively short, and if possible, contain a clause which allows the City to terminate for convenience after significant advance notice.

III. Offered Considerations

While certainly all the traditional considerations of quality service, level and types of service, citizen comment and cost are important to choosing whether to extend the Franchise, extend after negotiation, or seek competitive procurement in the market place, the following are noted for consideration:

1. One way to assure that Plantation is paying market rates for collection and hauling service is to seek competitive proposals. When such proposals are not sought, cities often try to compare their proposed costs of service to those of other communities who have utilized a recent competitive procurement. Doing this type of comparative analysis for Plantation is complicated by two factors:

- a. The method and manner of delivering garbage collection/hauling service to Plantation is somewhat unusual because of the City's "Blue Bag" system. There are no nearby comparative communities which exist to evaluate the relative costs of this portion of service.
- b. Governmental entities often have varying policies concerning rate differentials for different classes of customers. While many governmental entities might desire to have non-residential customers pay relatively more for service so residential customers can pay relatively less, the *degree of the differential* depends on the policy of each governmental entity. Therefore, while the Franchisee provides "toter cart" service in other Broward communities, without an analysis of the other communities' entire rate base, one would not be able to ascertain whether the other community paid less or more for service than Plantation proposes to pay.

These factors make it very difficult to compare the City's costs of service with the costs of service in other communities, because comparisons are not "apples to apples," so to speak.

2. The disposal market within which the collection/hauling franchise operates has changed as a result of the expiration of the Resource Recovery System Inter Local Agreement. It remains in a "state of flux" as of this writing. Until the background disposal market settles and matures, seeking a mid to long range relationship at this time may not result in precise price points, and thus may not be advantageous at this particular moment in the City's history. For example, the MRF Inter Local Agreement for household recycling has been effectively terminated because the County-contractor was not able to get all of its facility commitments assured. Thus, as of this writing, there are no disposal sites for residential recycling with any County program. Prices for collection and hauling contracts are materially affected by fuel costs and haul distance. Not having market accepted fixed locations for disposal would affect any proposer's ability to price commit to multi-year hauling arrangement without a material mark up. This may affect the relative competitiveness of collection/hauling proposers for household recyclables that might not otherwise operate a disposal facility.

This consideration might warrant splitting the current combined collection and hauling service for garbage and residential recycling for evaluation, and treating them differently (e.g. seeking a competitive procurement for one but not the other). On the other hand, taking any action that might result in different residential and non-residential service providers would reduce the City's ability to have rate differentials that allow one class of customer service to be partially underwritten by another (as discussed in consideration 1b above), if this is desired.

3. In informal conversations with the City's current Franchisee, Staff has been assured that if given an opportunity to serve the City, residential recycling could be disposed of by the Franchisee, regardless of the result of negotiations between its affiliate and the County, but no details are available at this time.
4. Since the City elected not to use centralized billing for its municipal waste disposal, certain contractual provisions need to be added to the Franchise that are not currently included. In addition, the elected officials may want to propose increasing the franchise fee paid to the City to obtain non ad valorem revenue which does not currently exist for the upcoming fiscal year's budget. The current franchise fee is 6% of contractor revenue, and resulted in \$625,100 being paid to the City in fiscal year 2011/2012. These considerations, and any other changes desired by the elected officials to the Exhibit "1" Franchise Agreement, may warrant against an automatic renewal of the existing arrangement.

IV. Options

The options appear to be:

- A. Allow an automatic extension of the existing Franchise for two (2) years as contemplated by the contract;
- B. Identify any enhancements to the existing franchise arrangement that are desired, and direct the Administration to re-negotiate a franchise with the existing service provider keeping the franchise of very limited duration, and including a termination for convenience provision in the City's favor with significant advanced notice;
- C. Identify any enhancements to the existing franchise arrangement that are desired and direct the Administration to seek competitive proposals for all or portions of this service;
- D. Some other desired option identified by the Council.

This matter is now ready for consideration as an Administrative item. If any of you have any business questions or comments, please feel free to contact Mr. Shimun, and if any of you have any legal questions or comments, please feel free to contact Mr. Lunny.

Mayor Bendekovic advised that there are three different options. We have already done MSW, Bulk, Yard, and C & D. Now we have to figure out who is going to be taking it to those destinations. She requested direction as to what Council would like done.

Mr. Shimun explained that no major decisions are being made on who is actually doing the hauling; Council is actually making a decision on how we are going to make that decision. We have a contract in place that puts it in an automatic two-year extension unless either party proactively says at least 120 days ahead of time that they are not going to renew it. One choice is that it automatically renews. Another choice is that since we are not required to go out for bids, you could negotiate a shorter term contract with whoever you want, in this case with Waste Management, to do the collection and we could perhaps ask for a couple of more things in the contract and then bring it back to Council so they could make a decision whether to accept the contract or not. The third option is to go out for an RFP and go through the full blown effort of picking someone else. The reason this was brought to Council now is because staff would need time to prepare an RFP before the 120-day period if notice was going out. A couple Council members spoke to him beforehand and wanted to know what staff thought was best. He believes that the second option would be the best, which is to do the two-year renewal with a little negotiating before the contract is brought back to Council.

Councilman Fadgen questioned what is being contemplated with Options C and D as far as enhancements.

Mr. Shimun advised that Option C is to make a short contract or a year contract and the enhancements might be asking for a dollar value or if we could bring down the cost of collection a little; whatever we can negotiate at this point.

Mr. Lunny commented that we also discussed a slight increase to the franchise fee in the face of the memo.

Mr. Shimun indicated that is one way to collect non ad valorem revenue for the City. Currently it is at 6% and it could be raised.

In response to Councilman Fadgen, Mr. Shimun stated that the cost would go onto the customer.

Councilman Fadgen questioned whether a two-year extension rather than a full blown negotiation would be wise at this point.

Mr. Shimun stated that the reason they would recommend it is because the whole waste collection thing is in flux right now and this would give us enough time to let the playing field clear itself so those people who have entered recently will have a track record in 24 months that we can compare it to. He would say in a two-year period we should be able to do that.

Councilman Fadgen advised that his initial reaction would be that increasing the franchise fee would not be something he would be in favor of; he would rather extend it and two years from now, once the flux is gone, send it out to bid.

Councilman Jacobs mentioned bulk pick up.

George Harrell, resident, was present. He has been analyzing the waste and bulk pick up for about three years and has submitted several suggestions to the City. He has also provided Council members with a copy of those suggestions. He did two surveys in regard to the frequency he believes needs to be analyzed as to how often to have these pick ups. He read a brief statement into the record as follows: "He is most appreciative of having the opportunity of providing his thoughts to you regarding City of Plantation procedure for bulk and solid waste pick up for City residents. For the past three years he has been proactive in submitting recommendations on that matter, which he believes will enhance our overall operations". This letter only summarizes his submissions that you all have a copy of with the written surveys he completed on February 13, 2013 and March 11, 2013. Before that summation, he questioned whether the current City procedure of receiving individual bids for solid waste, recyclable, bulk and C & D pick up is the most effective efficient way of doing business. It seems to him that consideration should be given to requiring companies wishing to be our vendor on those pick ups provide a combined bid including all four pick ups so the City might realize a cheaper overall cost of combined versus individual bids.

Councilman Jacobs indicated that is what we had before what we have now; we had an interlocal agreement with Broward County and everything was wrapped together.

Mr. Lunny clarified that was the disposal. The only option was Construction and Demolition debris where our proposal was to have a pool of franchisees, between two and four, and that would be an unregulated but closed market.

Councilman Jacobs stated that encourages competition for people in the construction and demolition business in the City and they can choose the provider they prefer based upon the service provided and the cost. Keeping that separate makes a lot of sense for those people.

Mr. Lunny indicated that we then went with the County for municipal solid waste disposal, which is generally garbage, and then we elected not to be part of the County interlocal agreement for household hazardous waste disposal and bulk trash disposal. The MRF was the household recyclables that the County had an interlocal agreement. We joined it; however, their contractor did not get all of its facilities approved so the County

canceled that contract. We can pick up household recyclables but there is not a designated disposal site through the County program. He noted that the reason he keeps saying through the County program is because under our system of laws, the County has the primary responsibility to make available disposal options.

Mr. Harrell clarified that he is not looking at what is best for the vendors; he is looking at what is best for the City residents. He would like to see a study completed and let the vendors say what they can provide combined versus what they do individually. He also questioned why the cost of hauling is not done at the same time as when vendors bid on the solid waste management. He believes that doing them together would save time and money.

Councilman Jacobs stated that it is a different function.

Mayor Bendekovic explained the reason we did it separately is because with trash there are so many entities and we thought if we gave it to them in different segments there would be a better understanding. It was all about going to the destination not about the hauling.

Mr. Shimun advised that different vendors provide different functions. Where we are bringing the garbage can only go to a couple of different places and only a couple of entities do that. For the actual pick up of household municipal waste, there are a variety of vendors who will provide that contract so bundling it all up in one contract would eliminate some in one part and others in another.

Mr. Harrell questioned whether Sun-Bergeron is bidding on the collection. He noted that if Waste Management, Wheelabrator and Sun-Bergeron did combined bids it might be cheaper.

Councilman Jacobs commented that we have not decided. With regard to Wheelabrator, they do not own trucks; they only operate the trash to energy plants. We contracted with them to burn all of our trash and that is all they do. The point is well taken and one of the things we can think about is consolidating the whole process.

Mr. Harrell stated that he made the same submission three years ago and the answer he got was that it will come up for rebid in three years at which time the proposal would be considered.

Councilman Jacobs advised that the Resource Recovery Board fell recently apart and that changed everything.

Councilman Levy clarified that it is a segment to market; not one company does all of the market so we have to pick and choose and bid out for each segment rather than for the whole thing. The closest would be Waste Management and they are our primary hauler. They are the largest company doing it and would certainly be the closest equivalent to what is being said but that limits us to one large company. The other companies take segments of that market and bid on it. We have to look at the other companies that can do certain things and then ask Waste Management what they are going to do on that certain item. To his recollection and knowledge, Sun-Bergeron will do hauling and recycle up to 80% of the material. Their complaint was that Waste Management "Buries their material instead of recycling it to the point they do not meet the standards that we are going to have to meet in a few years". We have to look at today as well as down the road and question where we are going to be if we pick this company now because there has to be a certain length of time in order to be cost effective. We currently have a contract with Waste Management. It has an automatic renewal for two years if we do nothing and in a year from now, when everyone has more of an idea of where the entire setup is going in Broward County, we can come up with a more knowledgeable answer. Right now one company doing the entire collective does not exist. We would like the same option suggested and if it were possible we would consider it.

Mr. Harrell mentioned surveys he took at five locations and in his opinion, solid waste pick up should be reduced to one time per week and bulk pick up to one time quarterly. This would surely reduce costs. If those surveys are reflected by the entire City it seems like we are wasting money by running trucks.

Councilman Jacobs indicated that Waste Management can explain the pros and cons. The City used to have quarterly pick up for bulk; however, regular trash pick up was never just once a week.

Councilman Levy commented that a lot of residents were requesting a monthly bulk pick up and that is why we switched.

Mr. Harrell believed there should be a consequence if trash is picked up more than once a week. He mentioned two other issues that he has never received a satisfactory answer from the City. There is a rule for bulk pick up that yard waste must be tied in lengths of four feet, not to exceed 40 pounds. He questioned why residents are required to tie yard waste in packages when the truck has a big arm to pick it up.

Councilman Jacobs noted that there is agricultural waste that you leave out with trash as opposed to bulk pick up, which is done once a month.

Mayor Bendekovic stated that the latitude is because they have the arm and anything can be put out at bulk pick up except hazardous material and it is not bundled. If you want to put clippings out with your garbage in the blue bags, it has to be bundled.

Mr. Shimun clarified that if it is material that needs to be picked up by hand it needs to be put in a bundle that is the right length.

Councilman Jacobs commented that when people leave out agricultural waste in bags they want the bags to be clear so they can see what is inside. He noted that the clear bags are not the recycle bags; they are for clippings and agricultural waste on bulk pick up day.

Mayor Bendekovic advised that the clear bags are at Publix and Public Works.

Mr. Harrell indicated that bulk pick up can be put out the Saturday before the pick up day; in his area that is seven days in advance. People get confused on what day is pick up day because sometimes it is the first Friday of the month and sometimes it is the second Friday.

Councilman Levy stated that if it is correctly done during the time they are picking up the trash and it is small enough for them to do they will pick it up.

Councilman Jacobs noted that Code Enforcement will cite them if you call them.

Councilman Fadgen mentioned that over the years there has been a lot of discussion by the public about blue bags and he believes that Mr. Harrell's survey is important. In some cases only half of the households have blue bags and clearly it would be cheaper if there were one pick up a week. Some people use the pick up twice a week and would be very upset. It could also have an impact on dumping in the City or using a neighborhood commercial establishment to use their dumpster. At least the cost involved is associated with the bags used.

Attorney Bill Laystrom was present on behalf of Waste Management and Wheelabrator.

Mr. Laystrom referenced bulk pick up and stated that the reason they went to once a month was due to stuff on the curbside. The City actually requested this because mostly smaller homes do not have a place to put the bulk in the back of the home. The bulk pick up cost portion of the rate is relatively small in relationship to the entire rate.

In response to Councilman Levy, Mr. Laystrom advised that bulk pick up is once a month and includes all of your bulky items including household items, tires, old furniture, refrigerators; almost anything that a household would generate but not something a business would generate. Yard clippings that can go into a clear plastic bag go into the bag and typically everything is bundled, particularly during weekly pick up, because the trucks will pick them up. The four-foot bundle and the weight of the yard trash was an OSHA/Worker's Compensation issue. The regulations can be changed but there has been a history of putting them in. With regard to going to a once a week pick up, there are not any Cities that have once a week pick up. Blue bags versus toters have been an issue; he does not know what the survey was about but it always seems to be 50/50 so no one has ever really suggested changing that. Part of that is the difference between a single family homeowner who does their own yard and a smaller home or a small condominium, who might have one bag once a month. That was the reason the bags were put into place.

Mayor Bendekovic commented that aesthetically the streets are cleaned as soon as the bag is picked up.

Mr. Laystrom questioned whether you want to have all of our services bundled. All of the hauling services except for construction and demolition debris are bundled together. This contract will cover not only the solid waste pick up but also the yard waste, bulk waste, and recyclables. Recently the County's low bidder walked off that job and they need 15 months in which to go out and rebid the recycling contract. We have talked to staff about providing a back stop so you will always have a place to go and if the County gets a better option you will be able to opt out of the recycling agreement and take those recyclables to wherever the County designated facility is located. There are a lot of choices and they think that the two-year extension works both for them as well as for the City. Where the recycling is taken is a distance issue for anyone who would bid on recycling and depending on the distance will change the cost of hauling the recyclables.

A representative with Waste Management stated that the benefit to the resident by the use of the blue bag system is that they have the option of controlling their own destiny and costs because the more ambitious they are to recycle the less blue bags they will need to purchase and use for garbage disposal. It is an incentive based user friendly program that benefits everyone financially and environmentally. Recently the agreement was adjusted as it pertains to yard waste and leaves, etc., where residents in the past were required to use blue bags. We came to an agreement that as long as the bags are clear plastic bags they would be collected without additional charge as part of the service.

Mr. Harrell agreed that if the garbage needs to be picked up twice a week then it should be picked up twice a week; that is not an issue. His question is, "Does it need to be picked up twice a week?" A lot of times it is the little things that turn out to be giant savings. He encouraged everyone to look at ways to do it more economically and more efficiently. Blue bags and clear plastic bags are not an issue. He has not heard an answer as to tying tree limbs and tree trash.

Tony Spadacio, with Waste Management, advised that it is necessary on regular weekly services to tie and bundle the appropriate lengths with maximum weights because the drivers have to be able to manage the pile that they pick up. On the monthly bulk it is an entirely different situation; they have the benefit of the clamp.

Councilman Jacobs mentioned that he had not heard any discussion about household hazardous waste; paint, pesticides, etc., which would be taken care of by the County but we will not be able to do that anymore through the County.

Mr. Lunny indicated that with regard to household hazardous waste, the Council elected not to be part of the County program and directed staff to negotiate a contract directly with Waste Management. He recalled the discussion where we did not get the contract draft by the time we had to tell the County we were or were not part of the decision and the Council decided to work in good faith with the provider. He has the agreement, they are looking at it and it is under way. Household hazardous waste and bulk trash where the resident drops it off instead of taking it to the dump will now be taken to Wheelabrator and vegetative waste will be dropped off at one of those facilities. This is a regulated industry and there is no possible way to have one person do it all. Tonight is the second collection discussion with the Council; the first was the collection of C & D material, at which time you said you wanted to keep a regulated market in terms of number providers but unregulated as to cost. The second collection discussion deals with residential garbage and residential recycling, which is the only piece of collection that the State law has given to the Cities. The confusion is understandable because different laws give different governmental authorities jurisdiction over different aspects of the service.

Councilman Zimmerman mentioned the current contract and noted that there is a requirement for an annual survey to be done by the vendor through our residents. He questioned the results if that has been done.

Mr. Shimun advised that the results are available. The survey has been done but he does not believe it is done every year although the contract does say annually.

Councilman Zimmerman stated that as we enter into this new two-year extension perhaps we should look at that survey being done so that at the end of the two years we have better results and are able to make a decision. It is supposed to be done by an independent agency so that may help us make decisions in the future. He mentioned that part of the motion has to do with the franchise fee.

Councilman Fadgen indicated that the franchise fee was one of the options to revise the existing contract and he was not in favor of that.

Mr. Shimun noted that the current contract has a 6% franchise fee, which means that we charge a surcharge of 6% and it raises non ad valorem revenue for us.

Councilman Zimmerman expressed concern that as we go forward in the next two years and as you go back to negotiate the next two years we need to keep the rates where they are as a frozen rate or save our residents some money in the trash pick up or in the price of bags. Keep that in mind while moving forward. He is in support of the two-year extension; he just thinks that we should look at it and make sure that our residents are not impacted.

Mr. Shimun was under the impression when he heard the motion originally that it was to go with the two-year extension, which means we do not have to do anything and it would move forward. If you want to say that we need to try to negotiate the best deal possible for two years; that needs to be made as part of the motion.

Councilman Fadgen clarified that he wants to extend the contract.

Motion by Councilman Fadgen, seconded by Councilman Jacobs, to extend the contract for two years and once the flux is gone, send it out to bid. Motion carried on the following roll call vote:

Ayes: Fadgen, Jacobs, Stoner, Zimmerman, Levy
Nays: None

* * * * *

LEGISLATIVE ITEMS – None.

* * * * *

QUASI-JUDICIAL CONSENT AGENDA – None.

* * * * *

QUASI-JUDICIAL ITEMS – None.

Mr. Lunny read Item No. 14.

14. REQUEST FOR DEFERRAL UNTIL MAY 8, 2013 FOR SIGN SPECIAL EXCEPTION FOR TD BANK AT WESTGATE PLAZA.

A memorandum dated March 20, 2013 to Mayor Diane Veltri Bendekovic and City Council members, from Gayle Easterling, AICP, Senior Planner, Zoning Department, follows:

Staff is requesting deferral of the above referenced item until the May 8th City Council meeting. The applicant has requested additional time to submit a revision to the application.

Motion by Councilman Jacobs, seconded by Councilman Fadgen, to defer Item #14 to May 8, 2013. Motion carried on the following roll call vote:

Ayes: Fadgen, Jacobs, Stoner, Zimmerman, Levy
Nays: None

* * * * *

Mr. Lunny read Item No. 15.

15. CONSIDERATION OF A DELEGATION REQUEST TO AMEND THE LEVEL OF APPROVED DEVELOPMENT FOR THE CENTRUM-SUNRISE PLAT.

A Staff Report dated March 20, 2013, to the City Council, from the Planning, Zoning and Economic Development Department, follows:

REQUEST: Consideration of a delegation request to amend the level of approved development for the Centrum-Sunrise Plat.

EXHIBITS TO BE INCLUDED: Planning and Zoning Division report, subject site map and application.

REVIEW COMMITTEE RECOMMENDATION: No objection to the project moving forward for further review (January 22, 2013).

ANALYSIS:

The subject site is .99 acres in area, located on the northeast corner of Flamingo Road and Sunrise Boulevard, and part of the Centrum-Sunrise Plat. The applicant is proposing to demolish the existing gas station with convenience store and erect a 2,964-square-foot bank building with drive thru canopy. A site plan for TD Bank is currently in review. The applicant would like to amend the plat note:

From: Parcel A is restricted to 99,338 square feet of commercial use. Parcel B is restricted to 100,000 square feet of commercial use.

To: Parcel A-1 (see attached legal description) is restricted to 99,338 square feet of commercial use. Parcel A-2 (see attached legal description) is restricted to 5,000 square feet of bank use. Parcel B is restricted to 100,000 square feet of commercial use.

STAFF COMMENTS:

PLANNING AND ZONING: No objection.

ENGINEERING DEPARTMENT: No objection.

Review Committee 01/22/13:

b. PP13-0001: CONSIDERATION OF A DELEGATION REQUEST FOR TD BANK. PROPERTY LOCATED AT 12391 WEST SUNRISE BOULEVARD AND ZONED B-2L (LIMITED COMMUNITY BUSINESS DISTRICT).

REQUEST: Consideration for a delegation request.

ANALYSIS:

The parcel is part of the Centrum-Sunrise Plat. The applicant is proposing to demolish the existing gas station and pumps, and erect a 2,964-square-foot bank building and drive thru canopy (TD Bank). The applicant would like to amend the plat note from:

“Parcel A is restricted to 99,338 square feet of commercial use. Parcel B is restricted to 100,000 square feet of commercial use”.

To:

“Parcel A-1 (see attached legal description) is restricted to 99,338 square feet of commercial use. Parcel A-2 (see attached legal description) is restricted to 5,000 square feet of bank use. Parcel B is restricted to 100,000 square feet of commercial use”.

STAFF COMMENTS:
PLANNING AND ZONING:

1. There is not designated Parcel A-1 or a designated Parcel A-2 on the plat currently. Staff recommends changing the note on the plat to add 5,000 square feet of bank use to the existing Parcel A restrictions. Delineating a new parcel may trigger a re-plat. Otherwise, Planning, Zoning, and Economic Development do not have objections to the plat note.

ENGINEERING DEPARTMENT: No objection

Attorney Scott Backman, Landscape Architect, Michael Grosswirth, and Engineer, George Balban, were present for the applicant.

Discussion ensued with regard to replatting the property. Mr. Backman noted it is not the intent to replat and that signatures may be required for all parties in the parcel.

The Utilities Department noted new capacity charges and additional drainage comments may be required for the additional square footage.

It was the consensus to move forward PET. PP13-0001 request for delegation request for TD Bank noting the parcel changes and additional capacity charges are required for the new structure.

Mr. Leeds explained that the delegation request is a requirement of Broward County when somebody wants to change the development capacity of their site. It is not our requirement but in order for the applicant to get a building permit they need to get the delegation request. In this case, the proposed development is a TD Bank that would replace an existing service station on the northeast corner of Flamingo Road and Sunrise Boulevard. Because the bank floor area is larger than the gas station floor area, Broward County reassesses the impact. This is a mere formality. In another two or three months there will be a site plan for a bank at that location. This basically allows Broward County to do many things but most of all it allows them to charge additional County Impact Fees for the larger building.

Motion by Councilman Jacobs, seconded by Councilman Fadgen, to approve Item No. 15. Motion carried on the following roll call vote:

Ayes: Fadgen, Jacobs, Stoner, Zimmerman, Levy
Nays: None

* * * * *

OLD BUSINESS: None

* * * * *

COUNCILMEMBERS' COMMENTS

Councilman Levy commented that over the last few months we have had time to meet with the residents of Plantation and had a number of forums in different areas of the City and obviously the major issue was always finances, budget and taxes. Each one of us should be proactive rather than reactive. The Mayor has already stated that we are going to have major discussions on benefits, pensions, etc. and dates have already been set up for that. He is proposing that as of October 1, 2013, that we only pay the health program for any new employee hired, not for dependents or families. The new medical act, Obama Care, may have a different kind of a rule and according to the reporter who wrote a blog, there is a question that this Act may require us to provide coverage for anyone under 25 years of age. On a personal level he stated that this is abhorant to him because how many Cities can afford this? We currently pay \$4 million plus in insurance for our employees and \$6,200,000 a year for employees' dependents; that is far over \$10 million. If the Mayor is correct, and it has been stated that she anticipates a possible \$4.9 million shortfall in two years, we have to take drastic action now as a new Council. He believes that our mission is to take the steps necessary to maintain what made Plantation the wonderful City it is. We do not want to harm anyone but we cannot continue on the track we are on. He referenced the front page of the local section of the Miami Herald and noted that the headline says, "Miramar; retiring manager to get \$2.4 million pay out". He also mentioned the City Manager from Hallandale Beach, who was fired, now receives \$17,000 a month as a pension. The previous City Manager, who left after 15 years, gets \$15,000 a month for the rest of his life plus health benefits. At some point we have to say that we can no longer do this; it is unfair to everyone who lives in Plantation. We have to draw the line somewhere and he believes that as of October 1, 2013, which starts our new fiscal year, we develop a new policy that says, "We want you here, we want you to work for us, we are going to give you a decent salary, and we are going to give you decent benefits but we cannot give you a gravy train for the rest of your life. We will give you a 401k plan, not necessarily be part of our pension plans either." He is going to also ask that as of October 1, 2013, that any new employee, not counting Police, get a 401k or the equivalent. He believes that it can work and the employee will know and the City will know how much they are contributing and can budget accordingly. Even though our pension plans are wonderful, the City is on the hook to make these plans whole when you get actuarial figures. He is saying this now because he did not want anyone to say that it was part of electioneering and some kind of a grandstand play. He has come to the conclusion that all of us need to take action. It does not mean cuts here and there; we need to look at the long run. He feels that new hires should come in under new plans; both for pension and health and is requesting that staff look at the ramifications. We need to look at what it is costing us without going to the taxpayers all the time to make up the deficit. He requested that his colleagues come up with their own plans.

Mayor Bendekovic stated that as far as benefits, she met with Directors and they are in the works to bring back different options. A benefits comparison chart with other Cities will be shown along with the current contribution and what the cost factor would be to the City if spouses and dependent contributions were taken away that the City makes. Many different options will be provided. This is very important before we get into the budget process because it is going to impact the budget. With regard to pensions, she noted that we will update you with what we currently have and what the cost is. A directive is still needed to hire someone so you will have all of the figures if you want to close out one pension program and do another what it will cost the City to do so. All of these numbers are needed to make an educated and informed guess. This will also affect Collective Bargaining.

Councilman Levy indicated that is what he is asking for and why he presented it the way he did. He clarified that he is not saying close out the pension plans. He is saying to no longer offer it to new hires; leave the pension as it is so the people who are already in it continue in it.

Mayor Bendekovic advised that it still needs to be funded and she needs to provide the numbers that will cost the fund. With new people coming in there will not be people contributing and we also need those numbers.

Mr. Lunny questioned whether there is a consensus of the Council to ask the actuary to calculate that number. Last time the proposal was brought to Council to calculate the number and they had the estimates they thought the number would be because Council did not want to spend the money.

Councilman Levy thought that was if it was stopped abruptly.

Mr. Lunny believes that the idea proposed by Mr. Keefe and Mrs. Armstrong was that the closing of the plan meant no new employees would enter the trust and that assumption begins to roll up the accrued liability and causes the things discussed with Mr. Conklin. We can ask the actuary for a number and bring it back because it is not an easy calculation. It is not inexpensive but it can be done. The question is, "How do you treat the accrued liability?"

Councilman Levy commented that we have to have that information to make an appropriate decision for the future. He was in favor of having it done.

Councilman Jacobs mentioned options and questioned whether we are talking about closing a plan or terminating a plan or whether we are just using the same term.

Mayor Bendekovic advised that she was going to bring back different options. She thought it would be too lengthy to discuss it tonight because she does not have all of the information. If Council will give her a directive to go to the actuary she can get the numbers and bring them back.

Councilperson Stoner indicated that she has attempted to approach different ideas as to new employees and the Mayor has listened, heard, and been responsive and proactive. She would like to see the new employee benefits maybe even go a little further in some respects. What she calls PTO is collectively vacation and sick time lumped together to alleviate the rollover of unused time, which is now a huge liability the City is carrying and continues to accumulate at about \$.5 million per year. We are over \$5 million of that liability. She would like to see that reviewed. As to existing employees, she thinks we need to be very careful. They are no different than anyone else in this economy; they have not taken pay raises and have been hit with inflation the same as everyone else. If there is a consensus at some point to make some changes she would suggest considering them as phasing in versus cutting everyone off at one time. She agrees that there needs to be a new plan for new employees.

Mayor Bendekovic stated that she will provide an estimate of how many new employees we get a year and that is the base line we will go from.

Councilman Levy commented that there is a possibility that a lot of people may take their vested interest and leave.

Councilman Jacobs noted that we have a strategy; we need options.

* * * * *

Mayor Bendekovic announced that the April 24, 2013 Council meeting will be on benefits and May 8, 2013 will be on pensions.

* * * * *

Councilman Fadgen advised that he is happy to be back and is looking forward to the challenges ahead. He thanked the citizens of Plantation who have given him the opportunity to serve again and hopefully even better before. He also thanked the hundreds of volunteers that worked so very hard to obtain the result achieved. Today we are facing a difficult set of circumstances within our City and he expects that solutions will be very difficult as well. He will be looking for input from all of the stakeholders, employees, Administration, taxpayers and residents of the City as well as all of the Elected Officials to get the City's finances back on track. He is hopeful that the details will begin to emerge in the weeks to come that will lead to permanent solutions to our immediate problems.

One of the questionnaires answered over the last couple of months asked what we hope to achieve and his response was very short and comprehensive. He said, "He wants to make the Mayor and the City Administration look good" and that will be his objective and solemn pledge to everyone.

Councilman Fadgen stated that he would like to make a motion that we freeze all hiring within the City immediately. It does not mean that we do not hire, it means that if there is going to be a hire it will come before the Council to decide that the need is unique and it needs to be accomplished and approved at this level.

Councilman Jacobs commented that he cannot support that without some thought and discussion.

Councilperson Stoner stated that for some time we have been down quite a few police officers. She does not necessarily disagree but she does not know that she wants to tie their hands into providing the absolute core services the City has to maintain and offer. She thinks that it bears additional thought.

Mayor Bendekovic indicated that would come through in the budget process. If you want to eliminate positions at the budget process that is when you would do so because you will do priority based budgeting, which has never been done before, and those are going to be programs that are ranked. Programs are individuals and some are not individuals. To freeze hiring, she thinks that you do not have the numbers and details and you do not know who is in position for hiring. There are police officers in the process of being hired and we are going to be losing a few more because of the DROP program. To do a blanket statement to freeze hiring, she believes is unconscionable because you do not have the numbers and she requested that Council not do so at this time. If you do want to eliminate positions it must be done at the right time and at budget time.

Councilman Fadgen explained that freeze hiring does not mean that we do not hire. It means that the process will not occur until this Council studies the actual need. He understands that within the last month the Public Works Department got a new Assistant Director hired and probably within the next month the Utilities Department will have an Assistant Director hired. All he is saying is that we are the ones who are responsible for keeping the taxes where they are. We have to be convinced that we have some options. Is there not the talent in both of those departments that we could have avoided or delayed? He thinks we have a lot of very talented, long serving individuals in each of those departments that might have been able to fill that position and accomplish the mission of each of those departments.

Mayor Bendekovic assured that if those positions were there people who applied did apply from within; however, you want them as qualified individuals. When we went out for those positions we got the most qualified person. Some people did apply from within but they were lacking in some areas and that is why we had to hire from outside. She commented that you really want to run the daily operations of this City.

Councilman Fadgen stated that he wants to control costs, at least on a temporary basis, and is saying that we may have to start cutting personnel. He wants to be able to be smart about this; do we have the proper supervision or do we have too much supervision in some departments?

Mayor Bendekovic advised that he can do that at budget time.

Councilman Fadgen commented that it cannot wait; we have to get serious and start today. If the Utilities Department Assistant Director is absolutely necessary every one of us will approve him. He wants it to come to this level for adding personnel.

Mayor Bendekovic disagreed and does not think it is for the right reasons. You do not have the numbers in front of you and to do it across the board is not for the best benefit of the City.

Councilman Fadgen noted that it is the Council's decision to make a second and vote.

Motion by Councilman Fadgen that we freeze all hiring within the City immediately.

There was no second to the motion. Motion died.

Councilman Fadgen indicated that we are going to have to look at all of the departments and determine whether we have a working staff; a hands on staff and not just supervisory staff. There are going to be demands on all of us to do more with less. As far as overtime, in private industry overtime is very restricted and used only when absolutely necessary when no other options are available. He would like to see whatever overtime is paid in any department be very stringently controlled. As Councilman Levy said earlier, we are going to have to think out of the box, get aggressive and be totally engaged across the board. We also need the workers to help us solve this problem.

* * * * *

Councilman Zimmerman thanked everyone who supported him and he looks forward to working with everyone on the Council. He had the opportunity over the last few days to meet with several people within the City and had great discussions. He looks forward to meeting with each of the Department Directors and would like to sit down and have some discussions to better educate him so that he can confer or disagree with others on the dais. He looks forward to a working relationship.

* * * * *

Councilperson Stoner commented that we seem to get quite a few conditional use approvals for health type clinics. She understands that given the huge number of baby boomers that this is one of the highest ranking leasing opportunities throughout the City. We seem to having a lot of them and questioned whether this is something we should discuss a little more about how many go in. She heard that the clinic recently approved at Westgate is providing transportation to bring patients into the City. She questioned if these clinics are serving

our residents because typically you have your doctors within a certain radius of your home. Should we look at expanding how we are approving these clinics?

Councilman Levy explained that in Miami-Dade, vans were picking up people, bringing them to the back of the clinic. Then they will come in and sign in and the clinic bills Medicare and Medicaid for all of these services whether or not they were performed. He questioned whether her concern was if that type of clinic might be allowed.

Councilperson Stoner stated that there is a list of concerns and that is one of them. They are bringing patients in and they are there for several hours. There are bus loads of people around the community until they are picked up and returned to their homes. She is concerned that the City is going to get a reputation for having all of these clinics and it will all of a sudden appear that is what we hoped for in our planning.

Mr. Leeds advised that the Zoning code distinguishes between a doctor's office, which could include a clinic, and urgent care. We have two pending Urgent Cares in the City, both in vacant spaces in existing shopping centers. They fall within the guidelines; one is called MD Now and it is proposed in the old Blockbuster in the Winn Dixie Market Place Plaza. The other is operated by the North Broward Hospital District and it is proposed in an empty tenant space in the shopping center on the northwest corner of Sunrise Boulevard and Pine Island Road; Gator Plaza. He is not aware of any facility that is bussing people in. He does know that they did look at a facility in the Westgate Shopping Center, which was approved, and they said they were bussing people in. He has been told that the project is not going forward and he has not seen any movement on it. He has heard rumor that the parties could not come to an agreement. If you want to establish a policy, our Zoning code does not distinguish it between a doctor's office and a clinic. It only distinguishes between a doctor's office, clinic and a walk-in urgent care. He does not know about this other use; it is certainly something that the Council could look at but we would have to define our terms.

Councilperson Stoner questioned whether this is something to take an additional look at or whether we should let it sit for a while.

Mr. Leeds clarified that there are two pending and they are being processed under the Growth Management Ordinance as Administrative approvals with notice to the Council members because they are less than 5,000 feet. If you want to change the policy you can certainly direct staff to look into that.

Councilman Jacobs commented that urgent care was not the concern, it was clinic.

Mr. Leeds stated that there is nothing in the code that deals with what you are talking about. He noted that he would have to converse with Administration and the City Attorney.

Councilman Levy believed that would be appropriate.

Councilman Jacobs commented that we need to take the category of doctors office, clinic and divide it into two categories.

Mr. Leeds stated that we would have to come up with a new definition. He asked Council to think about what they want staff to do in the mean time.

Councilman Jacobs stated that the perception is that there have been a lot of these clinics coming to the City but he does not have that same perception.

Mayor Bendekovic suggested getting the numbers and bringing them back so that Council can decide as a group whether you want to have the ordinance more specialized.

In response to Mayor Bendekovic, Mr. Lunny advised that information can be sent out in a memorandum listing the names and the titles.

Mr. Leeds stated that because we do not distinguish between the two we are going to check business licenses for medical offices and try to determine if this activity is going on.

Mr. Lunny noted that Mr. Leeds stated that he is processing for Administrative approval two and the Council person held up two notices. Under our Growth Management Law for these approvals the Council has a call up privilege where they can stop Mr. Leeds' approval provided they exercise their call up privilege. His question is whether the Council wants to stop the two that Mr. Leeds has approved at this time because there is a certain time period. Mr. Leeds has to provide notice to the Council and then there are a certain number of days to advise the Clerk that you want to exercise a call up privilege so that the matter is not approved until it is reviewed. He wants to be sure if that is what happening.

Councilman Jacobs indicated that if it is the urgent care facilities he does not want to stop them.

Councilperson Stoner advised they are medical clinics/ambulatory care facility.

Mr. Leeds suggested that these be called up and send him a notice.

Mr. Lunny stated that if the Council wants to stop this one Elected Official can ask that it be called up and that is enough to put a hold on the matter so it will not be approved until it is addressed by Council.

Councilperson Stoner commented that she is not trying to stop business from continuing in the City; it was a general question as to investigating what we have. She believes what Mayor Bendekovic offered is sufficient.

Mr. Lunny clarified that these two will be let go.

* * * * *

Mayor Bendekovic provided an update on the E911. There was a meeting where they rescinded and wanted to recall or go back and look at the motion that was made a couple of weeks ago for an ad valorem tax. They did have a discussion and it was noted that they will not support an ad valorem tax but they did vote to approve 60% Council and 40% Municipalities, which would be the MSTU, a Municipal Service Tax Unit. She indicated that she would get back to Council and give an informational item on MSTU but that was not done because we did not know if they were going to change the course as to going with an ad valorem or an MSTU. There is another meeting next Wednesday with the County attorney and Mr. Shimun will be attending along with other staff to see all of the particulars. That information will be brought back to Council; that means that municipalities can opt in and join it but they do not have to. Remember, we have our own communications center and back up has been provided. She reminded all of the Council members that if there is anything they need there is an open door policy. She cannot meet with you; however, the Directors and Mr. Shimun can provide any information and clarification needed.

* * * * *

Mayor Bendekovic made the following appointments:

- Councilman Zimmerman to the General Employee's Pension Board.
- Councilman Fadgen to the Police Pension Board.

Mayor Bendekovic asked who would like to be the Broward League of Cities designee. The meetings are once a month, usually the second or third Thursday of the month, and the location can be from Miramar to the north end; it rotates on a monthly basis.

Councilman Zimmerman volunteered to be the designee.

Mayor Bendekovic mentioned that a first alternate would be needed.

Councilperson Stoner volunteered to be the first alternate.

* * * * *

Mayor Bendekovic stated that GRADE graduations will be coming up in the Spring and a schedule will be sent so you can attend at any given time.

* * * * *

Mayor Bendekovic noted that the 60 and Fabulous of the City has a table. This is on April 12, 2013 and you will be asked to attend from 5:30 p.m. to 11:00 p.m. because there is a VIP cocktail hour at 5:30 p.m. and it is with the sponsorships. Please advise if you are attending because the names have to be given to the Chamber of Commerce. If you are not going to attend, those seats will be offered to staff members.

* * * * *

PUBLIC REQUESTS OF THE COUNCIL CONCERNING MUNICIPAL AFFAIRS

Dennis Conklin, resident, was present. He congratulated the new Council and thanked the City for making such easy access to the financial information. He encouraged everyone to get their hands on the CAFR. He also recognized the Council President for his brave comments and recommendations regarding the City's situation. He mentioned that in 2003 the City was sitting on \$140 million cash and investments, not pension. That would have been the perfect time to use that cash for any discrepancy in unfunded pension liabilities to exit those defined benefit plans and begin a 401k type. Since that time the cash has been going down. He urged Council not to use the actuaries the City has been using because they did not use the right assumptions, which is what caused the problem.

Councilman Levy advised that we are going to look at all of that including the DROP program when we have our discussion on benefits.

* * * * *

Walt Rosen, resident, was present. He clarified a statement Council made earlier regarding the hazardous waste. As he understood, they said at this time the City currently does not have any way for residents to dispose of hazardous waste.

Ed Consaul, Public Works Director, advised that it can be taken to the Reese Road facility in Davie.

Councilman Jacobs stated that it can still be taken to the County facilities; nothing has changed. We are in the process of changing it.

Mr. Lunny advised that all of our existing agreements will remain in effect until either July or September, depending on the service. His remarks were in response to a question about what is going to happen in the future after July 2, 2013 on household hazardous waste. After that time there will be a contract and a program directly with Wheelabrator and Ed Consaul, Public Works Director, can advise on the scope of services for that.

In response to Mr. Rosen, Mr. Lunny stated that information will be disseminated to the residents. It is his understanding that they have worked out some sort of notice requirement.

Mr. Consaul indicated that it will be on the Public Works website.

* * * * *

Mr. Lunny wanted to be certain that when Council said to extend the Waste Management to allow it to extend there are a couple of provisions that need to be added to the contract as mentioned in the memo to make it comply with the County one and we are going to have to add to the provision that they are going to manage our disposal for residential recycling until Council decides whether to go with some future County program or not. He questioned whether he is allowed to make these changes.

It was the consensus to allow Mr. Lunny to make the necessary additions.

* * * * *

SEALED COMPETITIVE SOLICITATIONS – None.

* * * * *

Meeting adjourned at 9:49 p.m.

* * * * *

The meeting continued at 9:50 p.m.

WORKSHOPS

Mr. Lunny read Item No. 16.

16. WORKSHOP REVIEW OF 2013 UTILITIES RATE STUDY.

A memorandum dated March 14, 2013, to Mayor Bendekovic and the Members of City Council, from Hank Breitenkam, Director of Utilities, follows:

Potable water treatment and distribution as well as wastewater collection, treatment and disposal are essential elements of urban environments such as Plantation where these services are provided by your Utilities Department.

The Utilities Department is an Enterprise Fund wholly financed through user fees or grants and not by the City's General Fund.

As an essential element of Plantation's family and business life, the installation of adequate utility infrastructure is imperative as is the timely replacement of the infrastructure when required to assure safe and uninterrupted provision of service.

Unfortunately, our pipelines are underground and our treatment plants are tucked away from the sight of our citizens – "Out of sight, out of mind". As is only right, our citizens only demand that drinking water be available when the tap is turned on and wastewater is properly disposed of when needed.

Aging infrastructure is not isolated to Plantation, now celebrating our 60th anniversary. Nationwide it is a major topic of conversation – unfortunately, a lot of times in a reactive rather than proactive manner after a major disruption is covered on the evening news. As a Utility Director, when I view these news stories I say, "There but for the grace of God go I".

In addition to infrastructure rehabilitation and replacement we also have the mandate of meeting new and ever stringent regulations. These are meant to improve our drinking water quality and to protect the environment in regard to ground water withdrawals or treated wastewater and bio-solids disposal.

The topics I briefly mentioned above require Plantation to be proactive and being proactive is not static nor is it without expense.

After our last utilities rate study was reviewed by City Council in 2009, I was directed to come back to Council in a "couple of years" to re-review the issue. In the interim, our country experienced critical financial issues, but our utilities needs did not remain static. We still need to meet regulatory standards and our need for infrastructure improvements have mounted. The attached report sets forth the same need and plans for utility financing as did the report in 2009.

As I have advised the Council in the past, our utility capital improvement budget is predicated on the issuance of a utility bond to address our growing and critical infrastructure replacement needs. Our qualification for a bond issue is predicated on our demonstration of financial stability as outlined in the recommendation of the rate study.

Our utilities rate analyst, Public Resource Management Group, has provided a comprehensive background in the attached rate study. They will demonstrate in their presentation the need for additional rate revenue to adequately fund our continued operation and maintenance, capital improvement, debt service, and revenue generation for current and future “pay-as-you-go” projects.

As a result of the presentation and your discussion this evening, I highly recommend and kindly request your authorization to move this essential matter to a first reading and a public hearing.

Hank Brietenkam, Utilities Director, advised that everyone should have the rate study along with the slide presentation that will be presented. Brian Mantz, with Public Resources Management Group, will give the presentation and Chuck Flynn, Utilities, will finish up the comments. They are requesting that this rate study be moved forward to a First Ordinance and Public Hearing.

Mr. Breitenkam continued as follows:

- Potable water treatment is an absolute necessity for cities like Plantation.
- The Utilities Department is an Enterprise Fund; it is wholly financed through utility rates; it is not financed through the General Fund or ad valorem taxes. When grants are available they are able to get some.
- It is important that water and sewer lines are initially installed adequately sized but it is very important now that we are 60 years old that we replace the water and sewer lines.
- Unfortunately a lot of times reinforcement is done reactively rather than proactively. A lot of times repairs, when done reactively, are very expensive, where if they are done in an orderly fashion you can go out for bid on a larger project.
- In addition to this infrastructure rehab we are also required to comply with required regulatory requirements, which is very expensive at the treatment plants.
- The last utility rate review was done in 2009 at which time five yearly increases were recommended. The Council approved the first two yearly increases and told him to come back in a couple of years.
- Our infrastructure needs and our regulatory requirements have increased.
- Council was advised at the budget meeting that the whole Utilities budget is predicated on a bond issue; they need to secure a bond issue to move forward with these needed capital improvement projects. In order to get the bond issue and to make the bonding agencies happy they need to demonstrate that we can provide the rates to pay off the bonds.

Mr. Mantz provided the following presentation:

- Public Resources Management Group or PRMG was founded in 1994 and are headquartered in Maitland, Florida.
- There is an average of 27,500 water customers and 21,900 wastewater customers.
- The current water demand is approximately 10 MGD compared with 14 MGD in 2004.
- There are two water plants (East and West) permitted to withdraw an average of 17.4 MGD-ADF from Biscayne Aquifer.
- There is 327 miles of water transmission and distribution mains ranging in size from two inches to 30 inches.
- The Regional Wastewater Treatment Plant is permitted at 18.9 MGD-3MADF.

- It has 231 miles of gravity collection and force mains ranging in size from four inches to 30 inches and 120 lift stations.
- The Utilities Department provides essential service 24 hours per day, 365 days per year.
- The Utility business is operated in accordance with Best Management Practices recognized by the Utility industry.
- The major objective of the Utility business is customer satisfaction.
- The Utilities Department is accounted for in the Enterprise Fund.
- There is no general government taxation or fee support to the utility.
- We want to make sure that the rates are sufficient to enable the utility to comply with all of the regulatory requirements.
- Rates must be sufficient to recover the full cost of providing service.
- The utility should remain financially viable.
- We want to maintain competitive, affordable and justifiable monthly user fees.
- Growth should pay its own way.
- The last Rate Study was completed in 2009.
- Prepared updated financial forecast and evaluated need for user rate adjustments.
- Reviewed water and wastewater capacity charges.
- The financial forecast for years 2013 to 2018 includes a forecast of customer growth, operating expenses, capital improvement requirements and funding, financial position and overall adequacy of rates.
- To identify the rate adjustments we have to review the revenue requirements of the system or the total expenditures funded from rates.
- Must maintain financial sustainability of the utility.
- Need to identify net revenue requirements to be funded from user rates.
- Comply with rate covenants.
- Promote financial creditworthiness of system.
- Need to fund \$110.8 million multi-year capital improvement program through FY 2018.
- SFWMD water restrictions and City water conservation rates implemented in August 2009 have decreased water usage per customer.
- Operating costs projected to continue increasing.
- Must meet debt service coverage requirements associated with existing and anticipated debt.
- Need to maintain adequate operating reserves and margins to ensure continued creditworthiness of system and provide funds for emergencies.
- Almost three quarters of the Capital Improvement Program represents renewals, replacements and upgrades to the system and about 56% are replacement of water and wastewater mains.
- Rehabilitation or replacement of water and wastewater mains is about 65% of the projects they anticipate to do with the 2013 bond issue.
- American Society of Civil Engineers (ASCE) issues a report card on America's infrastructure. They graded America's water and wastewater systems a D-, citing the annual funding shortfall of billions of dollars.
- Capital costs continue to increase.
- Capital funding plan during forecast period = \$110,754,129.
- Debt proceeds projected to finance approximately 55% of CIP.
- Interest rates on bonds on 30-year revenue bonds are less than 5%.
- Two 30-year utility revenue bond issues assumed; Series 2013 and Series 2016.

- Existing utility system debt.
- Rating agencies evaluate the utility business if we issue bonds. The higher the rating received on the bonds the lower the interest rate received, which can lead to lower user rates over the long term.
- The highest rated utilities exhibit practices that maximize stability by planning; anticipate future regulatory and growth demands; maintain affordable rates and reliably implement steady rate increases over time and have liquidity to meet unexpected sales shortfalls/emergencies.
- After fiscal year 2013 increase toward end of fiscal year, next increase assumed to become effective October 1, 2014 (beginning of fiscal year 2015).
- After adjustments, City's water and wastewater rates will remain very competitive with those of "neighboring" utilities.
- Portion of adjustments include automatic CPI inflationary adjustments.
- Recommend adoption of all five years of rate adjustments.
- Re-evaluate rates after two years to determine whether subsequent adjustments are needed.
- USEPA Research: utility rates (nationwide) may need to increase 3% above inflation every year to address funding requirements over next 20 years.
- Historical increases in water and sewerage maintenance index.
- Single family residential customer impact under proposed rates bill comparison.
- Historical average monthly usage of single family residential customer with both water and wastewater service = 6,000 gallons per month.
- Some reasons why user rates differ among utilities include the size of existing customer base/available system growth; demographics (e.g., customers spread out versus close together, types of customers served); level of capital improvements to meet service area growth; amount of needed renewals and replacements/remaining service life of assets; amount of general fund and administrative fee transfers; differences in bond covenants; source of water supply and treatment process costs; plant capacity utilization and assistance in funding of such capacity (e.g., grants, impact fees); and time of last rate review.
- Results of rate adjustments are that the City can fund the Capital Improvement Program; conform with Utility Rate Guiding Principles; ensure full funding of all allocated expenditure requirements; comply with Debt Service Coverage requirements; and maintain creditworthiness of utility so the rates remain competitive and reasonable.
- Capacity charges were last reviewed in 2006.
- Higher cost per unit of capacity than calculated previously.
- Proposed capacity charges are competitive.
- Consistent with impact fee law requirements.
- Cannot become effective until 90 days after approval.
- Capacity charge comparisons.
- Some reasons why capacity charges/impact fees differ among utilities; source of supply; proximity to source of supply; type/complexity of treatment; effluent disposal method; availability of grant funding; administrative policies; time elapsed since last review; density within service area/size of system; utility life cycle (growth-oriented versus mature); level of service per ERC standards.
- Recommendations include adopting proposed water and wastewater user rates for all fiscal years; adopting proposed water and wastewater capacity charges; monitoring actual versus projected financial results; and re-evaluating user rates/financial forecast in two years.

Councilman Jacobs thanked Mr. Mantz for taking a complicated subject and presenting it very well and easy to understand.

Councilperson Stoner questioned if we have to support the provided numbers if we support this.

Councilman Levy advised that it is just to move it forward so that we will have public hearings and first readings.

Motion by Councilman Jacobs, seconded by Councilman Fadgen, to support the direction that staff is recommending. There was a consensus to move forward.

* * * * *

The meeting adjourned at 10:43 p.m.

Councilman Robert A. Levy, President
City Council

ATTEST:

Susan Slattery
City Clerk

RECORD ENTRY:

I HEREBY CERTIFY that the Original of the foregoing signed Minutes was received by the Office of the City Clerk and entered into the Public Record this _____ day of _____, 2013.

Susan Slattery, City Clerk