

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

June 12, 2013

The meeting was called to order by Councilperson Lynn Stoner, President Pro Tem of the City Council.

1. Roll Call by City Clerk:

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

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2. The invocation was offered by Mayor Bendekovic.

The Pledge of Allegiance followed.

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ITEMS SUBMITTED BY THE MAYOR

Resolution No. 11696

3. **RESOLUTION** of Appreciation to Jim Daly, for 23 years of dedicated service to the City of Plantation.

Motion by Councilman Jacobs, seconded by Councilman Fadgen, to approve Resolution No. 11696. Motion carried on the following roll call vote:

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

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Robert Castro, IT Director, advised that last week the City launched the new portal "Plantation on the Alert". That is a reverse 911 system for people to be able to opt in to get calls. In a typical 911 call a person having an issue calls into the City at which time Fire and Police are dispatched accordingly. In the reverse 911 system people opt in to have the City call them when something happens that may affect them. We have had a reverse 911 system for some time; the issue was that over time more and more people are getting away from the standard home telephones and are opting to go through their cable provider or DSL for an IP phone or doing

away with the home phone all together and getting a cell phone. The database downloaded on a regular basis from AT&T leaves a little to be desired as far as coverage of our City. This site was created for people to be able to opt in to get the same calls and put in whatever phone number they would like us to call them on.

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

- Friday, June 14, 2013 is the deadline to submit applications to participate in the 4th of July Parade.
- The Plantation Preserve is having a Father's Day brunch this Sunday from 10:00 a.m. to 2:30 p.m. Reservations are suggested.

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Mayor Bendekovic made the following announcements:

- The Mayor's Council meeting she has been having on a quarterly basis is at the Plantation Preserve on Monday, June 17, 2013 at 6:30 p.m. It has been Sunshined and the Council is invited.
- The Plantation Historical Museum has a new exhibit, "500 Years of History 1513 – 2013". The exhibit runs through October 26, 2013.
- The Library Summer Reading Kickoff was Monday, June 10, 2013 at the Helen B. Hoffman Library. This year's theme is "Picture Yourself at the Library".
- The Friends of the Library book sale is at the Helen B. Hoffman Library on Friday, June 14, 2013 between 9:00 a.m. and 5:00 p.m. and Saturday, June 15, 2013 between 9:00 a.m. and 4:00 p.m.
- The Plantation Farmer's Market is at Volunteer Park every Saturday from 8:00 a.m. to 2:00 p.m.

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CONSENT AGENDA

As a Commissioner of the CRA, Mayor Bendekovic has a voting privilege on Item No. 10.

Item No. 3 was pulled to be discussed separately.

Mr. Lunny read the Consent Agenda by title.

Ordinance No. 2481

4. **ORDINANCE** Second and Final Reading pertaining to the Subject of Environmental Control; extending the exclusive franchise agreement between the City of Plantation and Waste Management, Inc. of Florida for: (1) The collection and disposal of solid waste (excluding construction and demolition debris) within Plantation, and (2) The collection and provision of services with respect to certain recovered materials generated by residential sites within Plantation as permitted by the terms of the current franchise; approving modifications to the franchise agreement which are necessary to comply with the Broward County-Plantation Interlocal Agreement for Solid Waste Disposal (authorized by City Council Resolution No. 11655); authorizing the appropriate officials to execute an amendment to franchise agreement; amending the Code of Ordinances to properly reference such franchise extension (so as to indicate that the exclusive franchise agreement will expire on September 30, 2015); amending and clarifying the City's Code pertaining to streamlining the process to extend construction and

demolition debris franchises that were initially competitively procured; providing for future authorization by Resolution of the recycling of certain recovered materials made necessary as a result of Broward County's cancellation of the interlocal agreement pertaining to a materials recovery facility; making other provisions appropriate to implement the foregoing; providing a savings clause; and providing an effective date therefor.

Ordinance No. 2482

5. **ORDINANCE** Second and Final Reading pertaining to the Subject of Finance; amending the general rate of interest the City charges in the absence of another applicable provision therefor to twelve percent (12%) per annum, simple interest; making other clarifying changes to implement such simple interest rate; providing a savings clause; and providing an effective date therefor.

Resolution No. 11697

6. **RESOLUTION** of the City Council of the City of Plantation, Florida supporting and adopting the 2012 Broward County Multi-Jurisdictional Local Mitigation Strategy; and providing for an effective date.

Resolution No. 11698

7. **RESOLUTION** approving the expenditure and appropriations reflected in the weekly expenditure report for the period May 16, 2013 through June 15, 2013 for the Plantation Gateway Development District.

Resolution No. 11699

8. **RESOLUTION** approving the expenditures and appropriations reflected in the Weekly Expenditure Report for the period May 16, 2013 through June 5, 2013 for the Plantation Midtown Development District.

Resolution No. 11700

9. **RESOLUTION** approving the expenditures and appropriations reflected in the Weekly Expenditure Report for the period May 16, 2013 through June 5, 2013.

Resolution No. 11701

10. **RESOLUTION** approving the expenditures and appropriations reflected in the Weekly Expenditure Report for the period May 16, 2013 through June 5, 2013 for the City of Plantation's Community Redevelopment Agency.

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

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

NOTE: Mayor Bendekovic voted affirmatively on Item No. 10.

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Mr. Lunny read Item No. 3.

3. Request for authorization to retain Hansen Information Technologies an Infor Company, for modifications and training services for the Hansen 8 utility billing software in the amount of \$99,000. (Budgeted – Utilities)

A memo dated June 7, 2013, to Mayor Bendekovic and Members of City Council, from Chuck Flynn, Director of Utilities, follows:

The Hansen 8 utility billing software has been implemented and has produced our utility bills since March 10, 2012. The Infor/Hansen organization has provided full technical and operational support to the City for this start-up and the significant challenges that have been encountered.

As we continue to move forward with the Hansen 8 Billing product there is a need for additional modifications, program support and staff training.

Hansen and City staff agrees that an additional 600 hours will be required for such modifications and training. We contemplate that most programming work will be performed remotely. (Note: The first block of hours for post start-up was approved by City Council June 13, 2012 on Consent Agenda Item No. 9).

This information is provided for your review and approval to retain an additional 600 hours of Hansen “AppCare” software consulting services at a rate of \$165 per hour with a total cost not to exceed \$99,000. This total does not include unforeseeable (T & E) if onsite is required.

Funding: 440-0100-533-4606 and 440-0200-535-4606 (maintenance contracts)

Councilman Zimmerman mentioned that we retained this company last year for \$100,000. From what he understands, they were brought on board in 2007 to implement new software and were paid \$400,000 to implement, including this part of it, \$200,000 of which is for customizing, training and support. He is seeing a continual outlay of cash going to this company over the last six years. At the moment he is not comfortable approving this item. He would like to know how much Hansen has been paid over the last six years to do this work and at \$165 per hour why they are not getting it done in the estimated time they are supposed to. He believes we need to relook at this and he needs to know more about what we are paying them overall. In particular he looked at the Utilities billing. Over the last two years Utilities has increased their budget line item for this \$50,000 each year. Utilities alone pays \$182,000 per year for maintenance, support and licensing of the software and they are only one department. He would like to have some time to meet with staff and understand this a little more.

Mr. Castro explained that the \$50,000 increase for the last two years is the maintenance on the billing and this particular module of the application is strictly Utility billing. Hansen is also asset management. For the last two years they have paid that \$50,000 for the Go Alive; once Go Alive started they started paying maintenance. The \$99,000 on the agenda is for ongoing customizations and integrations; some training is also involved. It is not the fact that it is \$99,000; it is a block of time; he believes it is 600 hours. That does not mean they are going to have to use the 600 hours, it means it is put aside in case we need to use the time. The first couple of years are a learning process for staff to get comfortable with the software. This is going back and tweaking things that staff was not aware of in the design phase.

Councilman Zimmerman commented that we have already paid them \$99,000 for 600 hours so now we are paying them again to continue their work. We are into them almost \$200,000 and we are not done yet. His concern is whether this is increasing productivity or whether we are getting what we are paying for. We are paying \$165 per hour and getting telephone support. He questioned whether we are getting the right people to do this and whether they are really the experts they say they are. He does not want us paying them to learn what they should have already known. We signed a contract in 2007 and we are still working on these items; it seems like a lot of time. That contract had a time period to implement all of it within a year.

Mr. Castro advised that 2007 was the original assets part and that took a couple of years.

Councilman Jacobs questioned whether there would be a problem putting this off until June 26, 2013 and if there are any time issues.

Chuck Flynn, Utilities Director, indicated that there is not a time issue and they can meet with Council to answer all of their questions.

Motion by Councilman Zimmerman, seconded by Councilman Jacobs, to Continue Item No. 3 until June 26, 2013. Motion carried on the following roll call vote:

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

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ADMINISTRATIVE ITEMS

Mr. Lunny read Item No. 11.

11. ANNUAL BOARD AND COMMITTEE REAPPOINTMENTS/RATIFICATIONS.

A memo dated June 6, 2013, to Mayor Bendekovic and City Council Members, from Susan Slattery, City Clerk, follows:

Attached is the proposed Advisory Board listing for 2013/2014. Please note that the numbers for the seats on the rotating members is the Council person who will make the appointment for this year.

As always, you have any questions, please contact me.

Councilman Jacobs appointed Barbara Simmons to the Plantation Health Facility Authority Board.

Councilman Fadgen made the following appointments:

- Bill Cuthbertson as a regular member on the Planning and Zoning Board and Jeff Siniawsky as an alternate.
- Anita Setnor Byer as a regular member on the Plantation Midtown Development District and Owen Duke as a rotating member.
- Marilyn Barber to the Landscape Planning and Review Board.

He noted that the other incumbents will remain until replacement in the future.

In response to Mayor Bendekovic, Councilman Fadgen advised that Owen Duke does have a business in Midtown. He did not have the address of the business but stated that he would provide it.

Councilman Zimmerman stated that he recently spoke with Mr. Duke. He is currently in Building 5, which is on the southwest corner of the property.

Councilman Zimmerman indicated that he made appointments two meetings ago and he is keeping the incumbents as they are.

Councilperson Stoner stated that she was going to keep her appointments as is.

Mayor Bendekovic commented that her appointments will remain status quo.

Susan Slattery, City Clerk, advised that a motion and a second was needed to ratify the Unsafe Structures Board.

In response to Mr. Lunny, Ms. Slattery indicated that the Boards that need resolutions are the Nuisance Abatement Board, Unsafe Structures Board and the Plantation Health Facility Board.

Motion by Councilman Zimmerman, seconded by Councilman Fadgen, to approve. Motion carried on the following roll call vote:

Ayes: Zimmerman, Fadgen, Jacobs, Stoner

Nays: None

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LEGISLATIVE ITEMS

Mr. Lunny read Item No. 12.

12. PUBLIC HEARING AND FIRST READING OF AN ORDINANCE OF THE CITY OF PLANTATION, FLORIDA PERTAINING TO THE SUBJECT OF FINANCE; CREATING NEW IMPACT FEES FOR LIBRARY, FIRE, POLICE AND GENERAL GOVERNMENT SERVICES AND FACILITIES; REVISING IMPACT FEES FOR PARK AND RECREATION SERVICES AND FACILITIES; IDENTIFYING THE MOST RECENT AND LOCALIZED DATA ON WHICH SUCH IMPACT FEES ARE BASED AND THE STUDY CONDUCTED BY THE CITY IN CONSIDERING SAME AND OTHER FINANCIAL PROJECTIONS; MAKING FINDINGS AND DETERMINATIONS; REQUIRING AN ACCOUNTING AND REPORTING OF IMPACT FEE COLLECTIONS AND EXPENDITURES IN A SEPARATE FUND FOR SUCH PURPOSES; MAKING PROVISIONS FOR ADMINISTRATIVE CHARGES; PROVIDING THAT SUCH FEES SHALL BE ANNUALLY ADJUSTED BY AN INFLATIONARY INDEX; REQUIRING PERIODIC REVIEW AND REVISION OF IMPACT FEES TO ENSURE THAT THEY REMAIN BASED ON RECENT AND LOCALIZED DATA; MAKING OTHER ADMINISTRATIVE AND IMPLEMENTING PROVISIONS THEREFORE; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE OF OCTOBER 1, 2013.

A memorandum dated June 5, 2013, to Mayor Bendekovic and Members of Council, from Kristi Caravella, Finance Director, follows:

At the May 8, 2013 Council was presented with the impact fee study prepared by Duncan and Associates. At the direction of Council, the Ordinance to implement the impact fees has been drafted and is attached for First Reading.

Under home rule powers of Article VIII of the Constitution of the State of Florida, the City of Plantation has the authority to adopt an ordinance creating and implementing impact fees. The proposed Ordinance includes impact fees for public safety (Police and Fire), parks, library and general government. The revenues generated from these fees are intended to assist in the provision of an adequate level of service in capital facilities so that development may occur in a manner consistent with the comprehensive plans of the city. This ordinance also regulates the use and development of land which assures that development bears a proportionate share of the cost of capital improvements that will be necessary to provide capital facilities to adequately serve the future needs of the City.

Section 163.31801(3)(d), Florida Statutes, requires notice 90 days prior to the date the impact fees are to be effective. Staff will provide notice as outlined in Section 6 of the Ordinance. Fees will take affect October 1, 2013 pending Council's approval of the Ordinance. In addition, the Planning, Zoning, and Economic Development Director will bring the proposed Ordinance to the Planning and Zoning Board for review before the Second Reading of the ordinance.

Mr. Shimun advised that in May 2013 Council was given a presentation by Duncan and Associates as to how they formulated the impact fees and how this is going to be conducted. What is presented is a study that gives the actual value of increases; these fees are meant to pay the City back for new development. If taken at face value, Council is going to pass on the cost to developers of the actual impact that they present through their development. Other communities in the County and around the State have adjusted those types of fees basically to share the costs between the City and developers. It is up to Council as to how they want to implement these fees.

Mayor Bendekovic indicated that Council also requested a comparison of other cities and that is within the back up. We are 97% built out and could have had those impact fees all along. When that many more people are put into an area they are going to be called. There is more redevelopment coming and she feels this is necessary because of our Police and Fire.

Councilman Fadgen noted that this would be effective October 1, 2013 and questioned who would be affected at that time.

Mr. Shimun believed that anyone who has not taken out a building permit prior to that time would be under the affect of this ordinance.

Councilman Zimmerman does not feel that the ordinance is clear enough as to when they come into affect with the building permit versus things that were already in the pipeline. He requested clarification so it is clear to the public. His concern is with projects already moving forward through the site plan approval process that have gotten site plan approval and developers have made commitments on certain things to give to the City to help them either improve a right-of-way, roadways or something that they are helping the City with. If they knew they were getting impact fees to begin with they might not be willing to do other things. It may end up creating

some problems with things already in the pipeline. He is not so sure making our rates the highest in the comparison chart is proper. He thinks we need some sort of rates; however, we need to be concerned about projects in the pipeline and that maybe 80% of this or some other amount is more appropriate than being the highest.

In response to Mayor Bendekovic, Councilman Zimmerman stated he was mainly looking at the total and would leave arranging them up to staff.

Mayor Bendekovic advised that this will not go into effect this year but it was part of the budget.

Mr. Shimun reiterated that these are industry standards that are used to determine what the impact fee would be. What you are doing is making a decision to have your citizens contribute on the development rather than just have the developer pay the entire load.

Mr. Lunny indicated that as written, this would come into effect on October 1, 2013 and there is no pipeline exemption. It is October 1, 2013 regardless of when you were approved in the past. He has told Councilman Zimmerman that would be clarified. On lines 225 to 227, which is page 7, there is a requirement that the City shall reduce the amount of impact fees owed for a development project by the value of land dedicated or improvements made that are of the same type for which the impact fees are charged. There is a created function and that is performed by the administrator of this provision.

Councilperson Stoner questioned who will determine the value of the land.

Mr. Lunny advised that the administrator who is authorized to administer this provision. To his knowledge, that has not been established at the staff level. If there are appeals of those kinds of things they go to the Board of Adjustment just like any other type of appeal.

In response to Councilperson Stoner, Mr. Lunny stated that we can define value.

Councilperson Stoner commented that defining value would tighten it. There would not be an appeals process and everyone would know what it is based on.

Mr. Lunny recommended that we always keep an appeal process.

Councilperson Stoner did not disagree but stated that if we at least tighten up and define how we are going to determine the value; sometimes that becomes subjective depending on who is administering.

Councilman Jacobs questioned what the Building Department does for building permits.

Mr. Lunny stated that they use the RS Means Calculator of the value of new construction. That is different than what the Council members are talking about, which are alternative methods of valuing land. We could use RS Means to value the improvements if that is acceptable and then you can pick one of the two classic ways of valuing land and specify one if you wish.

Councilman Jacobs questioned the Property Appraiser's value.

Mr. Lunny commented that could be done; there is no reason not to do that. Council has the legal option to pick. If you want to further define what that means, you have a wide range of options to use.

Councilman Jacobs indicated that perhaps Mr. Laystrom could provide some insight about the valuation of the land and the valuation of improvements.

Bill Laystrom, attorney, was present.

Mr. Laystrom advised that he supports the ordinance. He has not had a chance to review it and is requesting that this item be tabled so he can discuss this with some of his clients. Several issues are a concern to him. Projects in the pipeline are a critical issue; this City Council over many years has often allowed those in the pipeline to stay in the pipeline. He was going to request a special City Council meeting because their items cannot get heard and they are into September.

Mayor Bendekovic disagreed and explained that she put him off a month because the priority right now is the budget. We also offered that if one does not come in on July 24, 2013 that the project would be put on that date or the other date would be August 10, 2013.

Mr. Laystrom clarified that he was not suggesting that nothing has been done incorrectly. He is talking about Camden, Edens and Crossroads. Camden and Edens have not been scheduled yet and that means that by the time they are ready to go in, if a sign special exception comes in September they will not be there until October. He wants to be sure they get the credit or how people in the pipeline will be handled. Most of their improvements are way beyond whatever the percentage is for any one individual department. There was a question about how to value the property; RS Means is probably great because that tends to be double what the contract price is. He expressed concern as to how this is going to impact the existing project. He would like a chance to look at the rates to determine why the rates on the chart are higher than others. Everyone is going to be using the fire truck; there are all sorts of people hooking into the lift stations and typically he is paying 100% of something he gets to use about 14% of the capacity and everyone else gets the benefit. He would like to do the reverse and will pay more than their share but maybe not all of it.

Mr. Lunny advised that this ordinance does not affect the utilities program; either the impact fees or the requirements for construction.

Mr. Laystrom commented that he is going to argue if he has to do a \$600,000 lift station. He has that obligation because the Utilities Department can still request that in addition to the impact fees. He is going to suggest that he get credit for those improvements if those are the offset type improvements.

Councilman Jacobs stated that this is not going to affect this year's budget.

Mayor Bendekovic indicated that she has an issue with a lobbyist dictating what Council is doing. She thinks these are fair and the 80% that Councilman Zimmerman mentioned should be done. There might be some tweaking in the language as far as appraisal value. There was a discrepancy regarding the fire truck. She feels that the safety needs this type of assistance and that we should move forward.

Councilman Zimmerman mentioned that this is the first reading and we still have a second reading to go. We are not approving this; we are just approving the first reading. He wants to hear from the business side and would ask more on the process of this. He questioned if we hear that we need to make a change whether we can still modify it at the Second Reading and approve it.

Mr. Lunny replied yes.

Mr. Laystrom commented that in order for him to present anything that gets into Council's back up he has to have it to the City Clerk by Wednesday prior to the meeting, which basically gives him four working days to send this out. He believes that there will not be a disagreement on the rates. In looking at the residential rates, based on what they have spent on other projects outside of the normal fees, the 80% is close. He does not believe that he will be objecting that much to the amount. The problem with the two-week period is that it is very difficult. If he is going to represent something it is possible that Mr. Lunny might want to word it or reword it and that would put him back another two weeks. He pledged that he is not here to block the ordinance.

Mr. Shimun stated that the other consideration is that there is a 90-day waiting period between the time the ordinance is passed and the time it can be put into effect. If this is not passed this month it will go beyond the start of the next fiscal year, which is important.

In response to Councilman Jacobs, Mr. Shimun advised that the second reading in June is the deadline; it has to be passed by July 1, 2013.

Motion by Councilman Jacobs, seconded by Councilman Zimmerman, to Continue this item to the June 26, 2013 meeting. Motion carried on the following roll call vote:

Ayes: Zimmerman, Fadgen, Jacobs, Stoner

Nays: None

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Mr. Lunny read Item No. 13.

13. PUBLIC HEARING AND FIRST READING OF AN ORDINANCE OF THE CITY OF PLANTATION, FLORIDA PERTAINING TO THE SUBJECT OF CITY UTILITY RATES; ADJUSTING THE CITY WATER SERVICE RATES, INCLUDING CUSTOMER BILLING CHARGES, CONSUMPTION CHARGES, AND BASE FACILITY CHARGES, ADJUSTING THE WASTE WATER UTILITY RATES, INCLUDING CUSTOMER BILLING CHARGES, CONSUMPTION COST CHARGES, AND BASE FACILITY CHARGES; PROVIDING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE; PROVIDING AN IMPLANTATION SCHEDULE; PROVIDING A CONFLICTS CLAUSE; AND PROVIDING FOR CODIFICATION THEREFOR.

A memo dated May 16, 2013 to Mayor and Members of the City Council, from Quentin E. Morgan, Assistant City Attorney, follows:

State law allows cities to increase by ordinance, the rates of water, wastewater, and capacity charges. The increase must be enacted by a majority vote of the governing body.

In keeping with the ability to increase the City's water rates, wastewater rates, and capacity charges, the Utilities Department sought and received advice from its consulting utilities engineering firm and a rate consultant. The rate consultant reviewed the proposed capital improvements planned for the utility and reviewed the City's rates for the water and wastewater utility system. A report was prepared.

Attached, please find an ordinance which is proposed for consideration. We have also attached an alternative ordinance which differs only in form. The staff believes the alternative ordinance provides a more customer

friendly and updated feel for the presentation of the law with the inclusion of an appendix fee chart which succinctly shows the fee and charge schedule for each category. The staff also believes that an alternative ordinance will allow for easier modifications to rates in the future.

The ordinance shows rate changes through the year 2017 as proposed in the rate study which was designed to meet the demands of City's water and wastewater system. The rate study conducted is attached and available for your review. The text of the title is broad enough to permit any anticipated changes the Council may desire.

The matter is now ready for 1st Reading and direction is sought on whether the Council wishes to adopt the new form.

Mr. Lunny advised that there was an electronic transmission to the City an alternative ordinance and a schedule. He and the Utilities Department would like to use the alternative because they believe it is more straight forward than the historical way it has been done. Both ordinances say the same thing substantially. In terms of going forward, if Council wants to go forward for Second Reading, he would like to only bring back the alternate and it will be included in the agenda packets.

Chuck Flynn, Utilities Director, mentioned the proposed utility rate increase.

Brian Mantz, with PRMG, was present. He provided a summary of the key findings and recommendations of the rate study as follows:

- Utilities provide an essential service 24 hours a day, 365 days per year.
- A primary objective of the utility business is public health and safety.
- This utility business is highly regulated by a number of third parties, including the Environmental Protection Agency; the Florida Department of Environmental Protection; the South Florida Water Management District; and certain departments in Broward County. These are regulatory agencies. Permits from some of these agencies require satisfactory performance.
- They will make sure that the utility business is operated in accordance with best management practices recognized by the utility history and that includes best financial management practices.
- The major objective is customer satisfaction.
- The \$100.8 million capital program will go through 2018, which primarily removes and replaces existing infrastructure.
- By replacing some of the mains they are hoping to be able to reduce the infiltration that is basically increasing the cost of the utility.
- The funding and capital needs provide long term benefits to the customers.
- If the replacements are not addressed the City could face future orders or fines from regulatory agencies.
- Utilities has done a good job at controlling operating expenses. Over a five-year period the compound annual growth rate has only been about .26%.
- There will be continued regulatory inflationary effects that are beyond the utilities control; the utility has no say in the cost of fuel or electricity.
- Despite the economy, inflation is a factor in the cost of providing water and waste water service.
- With regard to capital, it is assumed that about 55% of the capital program will be debt financed.
- This is a good time to borrow because interest rates are at historical lows; therefore, it is a good time to start funding the renewals and replacements that really need to be done.

- The financial plan of the rate site is developed to meet financial targets such as debt service coverage, a cash balance and to help ensure the financial sustainability of the utility.
- A higher utility rating can help the utility secure lower interest rates on bonds and that benefits all customers.
- With regard to revenue adjustments, lower rate adjustments are shown than what was projected in the previous study. An overall 5.5% adjustment is shown for 2013. There have not been any rate adjustments since October 2010.
- After the 2013 increase the next increase was assumed to become effective October 1, 2014. Once there is an initial adjustment there will not be another adjustment for 1.25 years.
- After the adjustments the City's water and waste water rates would remain extremely competitive with those in the neighborhood of utilities.
- The first rate adjustment represents an additional \$3.18 per month for a single family residential customer with an average usage of 6,000 gallons.
- A portion of the adjustments include automatic inflationary adjustments. Section 26-217 of the City Code of Ordinances allows annual indexing equal to 100% the change in the Miami/Fort Lauderdale cpi or 3.5%, whichever is less.
- If the utility would have had adjustment rates in 2012 and 2013 the adjustment would have been about 5.6%.
- Currently Plantation has the lowest rates for the average single family residential customer in all of the survey utilities. We are at \$54.17 and with the first rate adjustment the rate will go up to \$57.35 for a usage of 6,000 gallons. That is less than one cent per gallon.
- After the rate adjustments Plantation will still have some of the next to the lowest rates on the chart.
- In general, if a waste water bill is less than 2% of a median income household it is considered affordable.
- With Plantation's median income household in accordance with the U.S. Census Bureau we get a percentage of 1%. The implication is that the rates are incredibly affordable and will allow us to address some of these critical renewal and replacement needs.
- Utility rate increases are expected nationwide.
- Historical changes in the Water and Sewer Index in areas surveyed by the Bureau of Labor Statistics ranges from 5.5% to 7.5% per year, which are higher than what Plantation is considering.
- Capacity charges, also known as the water and waste water impact fees, were last reviewed in 2006. The Construction Cost Index, which measures construction costs since 2006, has increased by 14.7%.
- On a comparative basis from 2008 with \$3,060 per ERC, Plantation will still be below other utilities average of \$3,448.
- The recommendation for the Rate Study is to document all of the water and waste water use rates for all of the fiscal years as shown to prepare the utility for additional debt financing. It is apparent that funding for renewal and replacement needs provides a very important benefit to the citizens of Plantation.
- It is also recommended that the proposed water and waste water charge be adopted. They want to make sure that the utility monitors actual versus projected financial results and re-evaluates user rates and financial forecasts in two years to keep updated with changes and economic conditions as well as current usage trends and a regulatory environment.

Mr. Flynn advised that this service is critical for the City for Utilities water and sewer.

Councilman Fadgen commented that there is no question that the infrastructure of water and waste water is in need of improvement. He believes it does have to be done; however, he suggested that it be delayed another two years. Currently the City is in a financial crisis and he does not want to burden the taxpayers with additional fees.

Mr. Laystrom questioned if the City would consider between First and Second Reading a credit or some sort of incentive bonus for new construction. A Leeds constructed building would generate roughly a 30% savings in consumption. It would be almost like a payback; we pay the money and after a year we look at the usage and if it is reduced by a certain percentage they would get that percent back.

Kingsley Smith, resident, was present. He stated that we are discussing water and he would not recommend delaying it for two years.

In response to Mr. Smith, Mr. Flynn indicated that calcium carbonate is accumulated over time; it precipitates from water as it goes down the line. We have improved the treatment process in the last ten years, going on twenty, where we use newer processes with membrane treatment; however, the precipitation is still in the line. We need to replace the pipe with newer pipe.

Councilperson Stoner questioned the grade that the City's water has received.

Mr. Flynn advised that the pipes are 50 to 60 years old and we have upgraded our processes to the point where we have been awarded for the best quality water in Broward County just last year. We now produce an excellent water quality.

Mr. Smith commented that many other costs are coming up at one time and it will be too much for the residents. The water is good.

A resident was present. She questioned whether the bond will be paid separately or whether the 1% will go towards the bond. She agreed with Councilman Fadgen and believed that we should hold off with this for a while.

Mr. Flynn stated that the \$57 includes the bond payments. The primary driver for the rate adjustment is the need to fix the system and we are using rate increases to issue bonds to take care of this. There are a number of areas throughout the City that have older pipes. A lot of pipes were replaced with plastic pvc pipe west of University Drive in the 1980's. In order to maintain the quality we need to make these improvements.

Councilperson Stoner questioned the anticipated cost of the bond.

Mr. Flynn advised that the cost would be \$55 million through 2018. It would be in two series; one in 2013 and one in 2016. We have \$110 million in replacement of our pipes and other appurtenances and we are paying cash for the second \$55 million; pay as you go. That is typically the way utilities do business in order to get good bond ratings.

Councilperson Stoner understood that we have an issue with getting a bond.

Mayor Bendekovic indicated that is with the General Fund. This has nothing to do with the General Fund.

Councilman Jacobs commented that it is important that we pass all five years so that the people who are issuing credit to the utility know that the income is going to be there; otherwise, they will want to charge a higher interest rate.

Mr. Mantz stated that the credit rating is a reflection of financial risk.

Mr. Flynn advised that we have used some of our reserves in the last couple of years; about \$7 million, which was used for some of the work that needed to be done. We cannot afford to do that anymore and have to maintain our reserves in order to get the best possible bond rates possible.

In response to Councilman Jacobs, Mr. Flynn indicated that the rate increase was deferred in 2011/2012 because of the economic situations. It was deferred for three years.

Councilperson Stoner commented that at \$3.15 it is basically \$75,000 per month; \$900,000 per year. The \$57, which is not even double is about \$1.8 million. She believes there is a difference between deferred maintenance and a little bit of what she is considering the hysteria of being fined like Miami Dade. She questioned how many raw sewage breaks the City has had.

Mr. Flynn noted that there have been 23 breaks over five years. He stated there are two types of fines; pollution and regulatory. Anytime there is a waste water break it causes pollution and if the system is not meeting regulatory requirements.

In response to Councilperson Stoner, Mr. Flynn indicated that we are looking to replace two different types of lines; water and sewer. On the sewer a lot of the work is aligning the pipes; we do not have to actually replace the pipe itself, for the most part we pull a liner through it and rehabilitate it in that manner.

Mr. Mantz stated if the pipe is structurally intact that can be done but by doing the liner you are at least reducing the infiltration they are talking about.

Councilperson Stoner questioned how often the lines are photographed and checked.

Mr. Flynn advised that there is a current program that does a complete "SSES" Sanitary Sewer Evaluation Study, which requires night checks at the lowest possible flow. There are crews that go out and do this every day. We do not have the ability to do the liners; it is contracted out and we cannot continue to do that. We spent about \$300,000 last year on areas that needed it the most. We reduced the flow to our treatment plant by about one million gallons in one basin in one area.

Councilperson Stoner mentioned the alternate ordinance given to Council. She noted that the alternative ordinance only addresses the rate increase, not the bond.

Mr. Flynn indicated that is an easier way to look at this; it summarizes the rates on one page instead of having to read through the entire ordinance. It was more efficient to do it this way than the time it would take to amend the ordinance.

Mr. Lunny explained that in order to do a bond issue we would have to come back to Council, a series of resolutions would have to be approved to authorize the bond and then authorize the closing of the transaction. This is designed to establish the rates and the revenues that would support that.

Councilperson Stoner referenced Page 1, paragraph two, second sentence of the Alternative Ordinance that starts with "Recommendations of the City's Utilities Systems Consulting Engineers by the City Council".

Mr. Lunny advised that the capacity charge is determined after the Utilities Systems Consulting Engineers make a recommendation then it is determined by the City Council. He will review and edit.

Mayor Bendekovic clarified that this is a revenue generated bond because if the increase is done we will have the revenue. With the General Fund, the bond that they were speaking of is a General Obligation Bond which would have gone to the public to ask them if they wanted that type of a debt service because we did not have the revenue to support that bond.

Councilman Fadgen mentioned the breaks and blockage and questioned water service breaks. He questioned whether breaks are the City's responsibility.

Mr. Flynn stated water service breaks are individual services like a home. A break is a small pipe. In this case the City is responsible for it; from the meter box to the main in the road is the City's responsibility. That is our point of connection. After the meter box to the home is the homeowner's responsibility.

Councilman Fadgen mentioned gravity breaks in the waste water versus blockage. He questioned the break down between those two.

Mr. Flynn indicated that generally it is cheaper to use gravity than pump it. The gravity is used in a basin for a localized area and sewage will flow at a sloped pipe into a lift station where it has to be picked up again and pumped into a force main. The incidents of gravity mains were predominately clay pipe and through the years they have been damaged. Those are the types of breaks that are repaired more often than the force main pipe; the larger pipe.

Councilman Fadgen questioned how many are breaks in the gravity line versus blockage.

Mr. Flynn stated that the blockages are 319. Most of the blockages were caused by a break. The larger pipe is eight inches and larger so those are significant water main breaks. On the waste water side for the force mains the same thing. It is not a cheap proposition; it is very expensive.

Councilperson Stoner questioned the department's total budget per year and what percentage goes to these repairs on a yearly basis.

Mr. Flynn advised that the total budget is approximately \$31 million. We took \$70 million out of Utilities reserves over the last two years. They can still pay without the rate increase; however, work has to be deferred and only be done on an emergency. When done on an emergency it costs between two and three times as much because you cannot put it out to bid to get the best price; you are paying someone to come out in the middle of the night and it is more expensive.

Motion by Councilman Jacobs, seconded by Councilman Zimmerman, to approve the alternative ordinance with all of the recommended increases on First Reading. Motion carried on the following roll call vote:

Ayes: Zimmerman, Jacobs, Stoner

Nays: Fadgen

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QUASI-JUDICIAL CONSENT AGENDA – None.

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QUASI-JUDICIAL ITEMS

Mr. Lunny read Item No. 14.

14. REQUEST TO APPROVE SITE PLAN MODIFICATION WITH WAIVERS FOR ROYAL PALM OFFICE PARK LOCATED ON THE NORTHEAST CORNER OF PINE ISLAND ROAD AND PETERS ROAD.

A Staff Report dated June 12, 2013, to the City Council, from the Planning, Zoning and Economic Development Department, follows:

REQUEST: Site plan modification to add 120 parking spaces.

WAIVER REQUESTS:

1. From Section 13-40(a)(b)(c)(4)(c). Interior landscaping for parking areas:
Medians shall be provided between double parking bays, shall be curbed and shall have a minimum of 8' in green area, not including curbing.
 - *8' wide median required in the proposed eastern parking area – 0' has been provided throughout.*Large shade trees shall be installed in all parking areas at a maximum spacing of 40' on-center.
 - *12 trees required in the proposed eastern parking area – 0 provided.**If waivers are granted staff requests mitigation for required trees.*
2. From Section 13-40(a)(b)(c)(3). Interior landscaping for parking areas:
Islands shall be provided to separate parking bays from major internal access drives and shall have aluminum width of 10', not including curbing.
 - *10' required in terminal islands in the proposed eastern parking area – 8.8' & 9.2' provided.*
3. From Section 13-40(a)(b)(c)(2)(b). Interior landscaping for parking areas:
 - *8' required in parking bays in the proposed eastern parking area – 7.7' provided.*
4. From Section 13-41(a)(b)(c). Pedestrian zones along building facades.
Landscape pedestrian zones shall extend the full width of each façade which abuts a parking or vehicular use area; the minimum width of such landscape zone shall relate to the adjacent structure's wall height.

Parking Garage:

- 21.2' required along the northern façade – 4' provided.
- 21.2' required along the western façade – 0' provided.

8-Story Building:

- 40' required along the eastern façade – 4' provided.

One tree shall be installed in this zone per each 30 lineal feet, or fraction thereof, of façade width.

Parking Garage:

- 9 trees required along the northern façade – 3 provided.
- 12 trees required along the western façade – 7 provided.

If waivers are granted staff requests mitigation for required trees.

5. From Section 13-41(a)(c)(f). Pedestrian zones along building facades.

For all trees required, 25% of the trees must be a minimum of 10' – 12' installed height. The remaining 75% of the trees shall be of an installed size relating to the adjacent wall structure height.

6. From Section 13-40(a). Interior landscaping for parking areas:

In all zoning districts requiring review and approval of site plans, a total area of interior landscaping shall be provided in all off-street parking areas equal to not less than 15% of the total paved vehicular use area of the site, including all parking and circulation areas.

- 15% interior landscape required - <15% interior landscaping provided.

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

ANALYSIS:

The subject site is 25.4 acres and developed with 465,592 square feet of office use with 1,830 parking spaces. To accommodate the needs of a future 60,000-square-foot tenant, the applicant proposes the addition of 120 parking spaces in various areas of the site for a new overall count of 1,950 parking spaces.

The addition of parking causes a reduction in landscape areas which requires approval of the waivers noted above.

STAFF COMMENTS:

PLANNING AND ZONING: No objection.

TRAFFIC CONSULTANT: See Engineering.

ENGINEERING DEPARTMENT:

1. Please provide all signing and marking on the plans. When provided, this may lead to additional comments.
2. The entering/existing drive aisles are proposed to be 24 feet. This will allow for two (2) vehicles to travel side by side. Please provide sufficient detail to show how this will be managed.
3. This proposal includes a 40% reduction in pervious area. Please provide OPWCD approval that this is acceptable with the master drainage permit.

4. Area I:
 - a. There are spaces opposite the access to the parking garage. Please provide clear access at all garage entrances/exits.
5. Area 3:
 - a. Please provide curb information for all parking areas.
 - b. Please remove the concrete from the center aisle as this is not a dedicated crossing.
 - c. Disabled parking in the circle does not show a ramp. Please revise.
6. Area 4:
 - a. Please show ramp connections at intersections.
 - b. There are spaces opposite the access to the parking garage. Please provide clear access at all garage entrances/exits.

Permit Comments (required at time of submittal for permitting)

Note: A detailed review of the civil drawings has not been performed at this time. If the site plan application is approved by City Council, a thorough engineering review will be performed at the time of application for construction permits.

1. An erosion and sedimentation control plan will be required and reviewed at time of permitting. An NOI will be required.
2. A Maintenance of Traffic (MOT) plan will be required. Please meet with Engineering to discuss.
3. Drainage calculations may need to be submitted, signed and sealed by a professional engineer registered in the State of Florida.
4. Surface water management permit(s) through the Old Plantation Water Control District (OPWCD) and/or SFWMD may be required and a copy(s) provided to the Engineering Department at the time of permit review.
5. The applicant may be required to execute a developer agreement and post security for all engineering and landscape related improvements at the time of permitting.

DESIGN, LANDSCAPE & CONSTRUCTION MANAGEMENT:

Staff Comments:

- When responding to staff comments, please bubble plan changes and specify the page number corrected in the written responses.
- Tree/palm removal and relocation permits as well as mitigation fees must be obtained directly through the Design, Landscape & Construction Management Department at the time of permitting. Please contact Diana at 954-797-2248 directly to obtain required permits.
- The applicant will be required to execute a developer agreement and post security for all engineering and landscape related improvements at the time of permitting.

Site Plan:

1. Code requires landscape pedestrian zones to extend the full width of each façade abutting a parking or vehicular use area; the minimum width shall be ½ the height of the proposed or 10' (paved areas in the lpz may not constitute more than 5' of the required lpz).

Parking Garage:

- a. 21.2' lpz is required along the northern façade – 4' provided.
- b. 21.2' lpz is required along the western façade – 0' provided.

8-Story Building:

- a. 40' lpz is required along the eastern façade – 4' provided.

Waiver required.

2. Terminal islands are to be a minimum of 10' wide inside curb to inside curb. *Waiver required.*

3. Medians between parking bays must be a minimum of 10' wide inside curb to inside curb. Waiver required.
4. Islands in parking bays should have a minimum width of 8' and length of 16' green area, not including curbing. Waiver required.
5. Please do not place lighting in landscape islands where trees are required by code. Light poles must be a minimum of 15' from any tree/palm planting to avoid interference as the trees mature.
6. Please confirm that above and below ground utilities do not conflict with code required plantings.
7. Section 13-40(a) – In all zoning districts requiring review and approval of site plans, a total area of interior landscaping shall be provided in all off-street parking areas equal to not less than 15% of the total paved vehicular use area of the site, including all parking and circulation areas. Waiver required.

Planting Plan:

1. Screen above ground utilities on the planting plan, including FPL boxes, etc. Please make a note to this effect on plans.
2. Trees with heights of 14' – 16' should have a minimum caliper of 3" – 3 1/2", trees with heights of 16' – 18' should have a minimum caliper of 3 1/2" – 4'.
3. Staff does not recommend the planting of additional Gumbo limbo trees throughout the site as this species is susceptible to the Spiraling White Fly.
4. Please label all sod areas.
5. Please make sure an ISA certified Arborist root prunes any tree within paving/curbing areas to be installed; make a note to this effect on plans.
6. A root barrier system shall be installed in situations where a tree or palm is planted within 10' of a paved surface or infrastructure. Please include details.
7. Please submit irrigation plans at time of permitting.
8. City staff will verify all trees proposed "to be removed or relocated". All proposed trees "to be removed" must be mitigated for as per City codes; tree mitigation will be above and beyond code-required trees on the property. ISA appraisals are required for all trees to be removed or relocated; performance bonds are required on all trees to be relocated.
9. Please confirm the condition of existing Ficus trees (#84, 88-93); if these trees are in poor condition (irreparably damaged, excessive decay, etc.) they must be removed and replaced as per our discussion.
10. Please meet required tree/palm heights throughout the landscape pedestrian zones – 25% of the required trees must be a minimum of 10'-12' installed height; the remaining 75% of the required trees must be of installed heights relating to the adjacent wall structure height, as defined in City landscape codes.
11. A minimum of one tree per 40 lineal foot is required throughout the parking median. Waiver required.
12. A minimum of one tree is required every 30 lineal feet, or fraction thereof, of façade width (3 palms = 1 tree):

Parking Garage:

- a. 9 trees are required along the northern landscape pedestrian zone – 3 trees have been provided.
- b. 12 trees are required along the western landscape pedestrian zone – 7 trees have been provided.

Waiver required.

BUILDING DEPARTMENT: No objection.

FIRE DEPARTMENT:

No objections as to this site plan modification with the understanding that the applicant and/or property owner is aware of the following items:

1. All fire hydrants shall have the minimum clearance of 7.5' in front and to the sides, with 4' to the rear (where located next to a parking stall, measurement shall be made from center of hydrant to outside curb of said parking stall).
2. All Fire Department connections shall have a minimum clearance of 7.5' in front and to the sides (where located next to a parking stall, measurement shall be made from center of Fire Department connection to outside curb of said parking stall).
3. A fire inspection shall be part of and required on the permit being issued for this project.

POLICE DEPARTMENT: This project will have little or no impact on police services.

UTILITIES: No objection; however, the following comments apply:

1. No water or sewer work on plans.
2. Show all existing water and sewer lines and easements on landscaping and drainage plan.
3. Maintain all utilities and utilities easements for water and wastewater system access.
4. Full Utilities plan review and approval is required prior to permitting. No plans are for construction until marked "FINAL".
5. Property coverage MUST be maintained over all existing water and sewer lines.
6. No structures allowed in Utility easements.
7. No category one trees allowed in Utility easements.

Attorney Bill Laystrom, was present on behalf of Duke Realty, the owner of the Royal Palm project.

Mr. Laystrom advised that they have an opportunity to bring in Farmers Insurance, a 60,000-square-foot tenant, into the building. The reason for these modifications is because they have a parking requirement of their own; therefore, they would be creating additional parking on site. They are not changing the landscaping along the exterior; the 100-foot buffer is still there with the same trees that have been there forever. At the locations where they have had to move landscaping they are losing four trees and they have agreed to mitigate those and any trees that are required that they do not have on site. They agree with all of the other staff comments.

In response to Councilperson Stoner, Mr. Laystrom stated that the property is internal to the site and pointed out where the parking spaces would be located, which are mostly adjacent to the garages on the inside of the property.

Motion by Councilman Jacobs, seconded by Councilman Zimmerman, to approve Item No. 14 with the waivers and subject to staff comments. Motion carried on the following roll call vote:

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

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COUNCILMEMBERS' COMMENTS

Mayor Bendekovic reminded everyone of the Mayor's Council on Monday, June 17, 2013, at the Plantation Preserve at 6:30 p.m.

She wished all of the fathers a Happy Father's Day.

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PUBLIC REQUESTS OF THE COUNCIL CONCERNING MUNICIPAL AFFAIRS

Mr. Laystrom requested that the City Council consider establishing one or two additional meetings during the course of the summer while going through the budget process to allow projects to have hearings. He has several projects and knows of others that he does not represent that would be ready for hearings. He was thinking that either the day before or the day after the June 26, 2013 meeting or the July 10, 2013 meeting to consider holding a Special Meeting of the City Council to consider development items that are ready. The same problem will occur in August; it is not just one project; there are a number in the queue. Most of these projects were filed in September and October and a one to three-month delay will be a challenge. He looks at these projects as one of the ways to get the tax dollars coming in.

Councilperson Stoner questioned whether an additional Council meeting could be set, not a Special meeting, on an additional Wednesday in July and August.

Mayor Bendekovic advised that a meeting could be held on July 3, 2013 or July 31, 2013.

Mr. Lunny indicated that he was concerned about July 3, 2013 in terms of advertising. He questioned whether they have evaluated whether the advertising could be met if they chose to meet that early.

Mr. Laystrom stated that he has not evaluated it but was pretty sure they would be fine on most of the projects.

Mayor Bendekvoic commented that there will not be a full Council during some of July and Mr. Morgan will be here because Mr. Lunny will be on vacation during that time.

Councilman Jacobs stated that he would rather have a meeting on July 9, 2013 instead of July 10, 2013.

Councilman Fadgen advised that he will not be here on July 9, 2013 but he will be here on July 11, 2013. He questioned whether the meeting could be held earlier in the day.

Mayor Bendekovic reminded everyone of the meeting on July 10, 2013 and questioned whether 3:00 p.m. on July 11, 2013 would be all right.

Councilperson Stoner indicated that 5:30 p.m. would be better.

Mr. Laystrom stated that 5:30 p.m. would be all right. He appreciates having the opportunity.

Councilperson Stoner advised that the meeting will be on July 11, 2013 at 5:30 p.m.

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SEALED COMPETITIVE SOLICITATIONS – None.

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WORKSHOP – None.

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The meeting adjourned at 9:30 p.m.

Councilperson Stoner, President Pro Tem
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 _____, 2014.

Susan Slattery, City Clerk