



## City of Freeport

### Workshop

6:30 PM/Council Chambers/Freeport City Hall

April 24, 2018 Agenda

#### I. Meeting Opened

The April 24, 2018 Council Workshop was called to order at 6:30 p.m. by Mayor Russ Barley. The meeting was held in City Council Chambers of Freeport City Hall.

Council Members present: Mayor Russ Barley, Councilwoman Elizabeth Brannon, Councilwoman Kasey Cuchens, Councilman Eddie Farris, Councilwoman Amanda Green, and Councilman William "Boots" McCormick

Staff present: City Clerk Rebecca Podraza, City Attorney Clay Adkinson, Finance Officer Sara Bowers, Planning Director Latilda Hughes-Neel, Sewer Supervisor Robert Fawcett, Billing Supervisor Jennifer Douglas, City Engineer William Menadier, and City Engineer Cliff Knauer.

#### II. Staff & Council Discussion

Mayor Barley turned the meeting over to City Attorney Clay Adkinson. Attorney Adkinson reviewed the subject matter on the agenda and opened the floor for discussion.

- **Impact/Capacity Fees**

City Engineer Cliff Knauer approached the podium and presented the Staff recommendations for the Water/Sewer Capacity Fee structure. Staff recommends the discontinuation of Impact Fees and the implementation of a one fee structure. Council discussion ensued.

Councilwoman Cuchens asked if the Council ever came to an agreement on whether the City will have a differential rate for outside City Water/Sewer rates. Attorney Adkinson advised that if a differential rate is set, it should be set at a rate not to accede 25% of the interior rate.

Council consensus is the City should continue to charge a differential rate outside the City.

Attorney Adkinson requested consensus of the Council on staff recommendations that 25% of the Sewer Fees collected be allocated to the operating fund, and 75% of Sewer Fees be allocated to a reserve account. City Engineer Knauer explained how staff came to these percentages in their Staff Meeting. Adkinson advised the Council that Staff recommends Water Fees be allocated to the operating fund. Profits in the Water account would be swept to a reserve account at the end of each fiscal year.

Council consensus concurs with Staff recommendations for allocations.

The City of Freeport may take action on any matter during this meeting, including items that are not set forth within this agenda.

In accordance with Section 286.26, Florida Statutes, persons with disabilities needing special accommodations to participate in this meeting should contact the City Clerk's office at 850-835-2822 by 5:00 p.m. on the day prior to the meeting.

No verbatim record by a certified court reporter is made of these proceedings. Accordingly, any person who may seek to appeal any decision involving the matters noticed herein will be responsible for making a verbatim record of the testimony and evidence at these proceedings upon which any appeal is to be based (see Section 286.0105, Florida Statutes).



## City of Freeport

### Workshop

6:30 PM/Council Chambers/Freeport City Hall

April 24, 2018 Agenda

- **Grinder Pumps**

Attorney Adkinson requested Council consensus on the continuation or discontinuation of selling and maintenance of Grinder Pumps. City Engineer Knauer presented new specifications for grinder pumps, which would be provided to new customers, if the City discontinues providing the pumps.

Council discussion ensued regarding current customers who have grinder pumps and pay the monthly maintenance fee of seven dollars (\$7.00) per month. This fee is only collected from customers who had grinder pumps installed prior to March 2017.

Attorney Adkinson discussed the maintenance agreement of current customers as well as the City's options upon moving forward with the discontinuation of selling and installing grinder pumps. Under the current maintenance agreement, if a grinder pump fails, the City replaces the pump at no charge. Council discussion ensued.

Attorney Adkinson suggests a Sunset Provision be implemented for a set number of years to be determined by Council. The City would continue to maintain and replace grinder pumps until the Sunset Provision goes into effect. The City would immediately discontinue the seven dollars (\$7.00) per month maintenance fee to all customers currently on the month to month maintenance plan. Adkinson suggested that if a full replacement of a pump is needed during that time, the maintenance plan would cease, and the pump would then become the responsibility of the customer. Council discussion ensued.

Council expressed concern for customers who properly maintained their grinder pumps, never needed a replacement, and who paid their fee for many years. Attorney Adkinson recommends adding a provision in the Ordinance for responsible customers who took care of their pump. Each request could be presented to Council on a case by case basis to determine if the City should honor the replacement of a grinder pump. This would provide a good neighbor provision for those who cared for their system properly and paid the maintenance fee for many years. Attorney Adkinson will bring a draft Ordinance for the Council to review for first reading.

The City of Freeport may take action on any matter during this meeting, including items that are not set forth within this agenda.

In accordance with Section 286.26, Florida Statutes, persons with disabilities needing special accommodations to participate in this meeting should contact the City Clerk's office at 850-835-2822 by 5:00 p.m. on the day prior to the meeting.

No verbatim record by a certified court reporter is made of these proceedings. Accordingly, any person who may seek to appeal any decision involving the matters noticed herein will be responsible for making a verbatim record of the testimony and evidence at these proceedings upon which any appeal is to be based (see Section 286.0105, Florida Statutes).



## City of Freeport

### Workshop

6:30 PM/Council Chambers/Freeport City Hall

April 24, 2018 Agenda

- **Financing**

Finance Officer Sara Bowers reviewed the current Sewer installation fees and expense to the City. Staff recommendation is to stop financing sewer installation fees. Customers would need to obtain financing from an outside institution.

Bowers also informed the Council that she has been in contact with one Financial Institution about Sewer financing options for customers who would qualify for a loan.

Finance Officer Bowers presented Staff recommendations for Capacity Fees. Currently the City requires \$2,000.00 down but the impact fee is \$2,500.00. If the City finances a Sewer installation, they receive approximately \$33.00 to \$36.00 dollars a month for 10 years. Sewer cash flow with this scenario is not good. Staff reiterated the need to discontinue the financing of Sewer installation.

Finance Officer Bowers indicated that she has had individuals infer, that the Sewer Department should run more like a business and the City should charge customers for maintenance calls. A maintenance fee structure would need to be researched with the Sewer Staff. If that is something the Council is interested in, Staff will investigate; however, this would put the City in competition with the private sector.

Councilwoman Brannon advised the Council that financing has been provided to outside city customers. After research by Councilwoman Brannon and the City Clerk, Council approval of financing outside city sewer customers cannot be found. Finance Officer Bowers also added that financing is not found in any Ordinances or Resolutions; this should be something the Council can vote to discontinue at their next Regular Council Meeting.

Council concurs that the financing should be discontinued. This item will be added to the agenda at the next Council Meeting April 26, 2018.

Finance Officer Bowers continued the discussion regarding the Capacity Fees. Moving forward, a provision will be in the Ordinance language as follows: *Rates will increase by the current price index published by the Florida Public Service Commission beginning on October 1, 2019 and each subsequent October 1<sup>st</sup> thereafter.*

Attorney Adkinson requested Council consensus on moving forward with Staff recommendations of Capacity Fees and approving Legal to begin the process of drafting an Ordinance. Council

The City of Freeport may take action on any matter during this meeting, including items that are not set forth within this agenda.

In accordance with Section 286.26, Florida Statutes, persons with disabilities needing special accommodations to participate in this meeting should contact the City Clerk's office at 850-835-2822 by 5:00 p.m. on the day prior to the meeting.

No verbatim record by a certified court reporter is made of these proceedings. Accordingly, any person who may seek to appeal any decision involving the matters noticed herein will be responsible for making a verbatim record of the testimony and evidence at these proceedings upon which any appeal is to be based (see Section 286.0105, Florida Statutes).



**City of Freeport**  
Workshop  
6:30 PM/Council Chambers/Freeport City Hall  
April 24, 2018 Agenda

agreed they would vote to approve Legal Staff to proceed with drafting the Ordinance at the next Regular Meeting on April 26, 2018.

- **Impact Fees Already Purchased**

Discussion continued regarding the Impact Fees Study as well as Staff recommendations to go to a one fee structure of Capacity Fees.

Council discussion ensued which addressed the current Impact/Tap Fees already purchased by customers. Attorney Adkinson advised that the City does not currently have anybody who has paid tap fees that has not paid impact fees. If there is an account that has a tap fee on it that has been paid, the City can reasonably assume that the Impact Fees have also been paid. This is because Impact Fee collection occurs before Tap Fee collection. Adkinson reiterated that the City cannot take away what's already been paid.

Legal recommendation for those who have paid Impact Fees but not Tap Fees, is to implement a window of three (3) years, to connect any lot in which an Impact Fee has been paid. The customer would pay the current Tap Fee. This would be a reasonable offer and well within the City's legal right.

If connections have not been made in the three (3) year time, the account would still have a credit amount of what had been paid, but the full amount at the new rates would apply.

Councilwoman Brannon asked if the City could phase the new rates in by increments. Staff does not recommend phasing in the rates because these fees are needed to continue providing the current services.

Councilwoman Cuchens asked if three (3) years is enough time for people to hook-on. Attorney Adkins said that they would not lose the money they paid, they would receive that amount toward their fees, but this time provision would promote incentive for customers to hook-up before the rates go up. This gives plenty of good faith time for those currently developing that have paid their Impact Fees.

Attorney Adkinson reviewed the procedures that would be followed if Council chooses to move forward with the Staff recommendations on Capacity Fees.

The City of Freeport may take action on any matter during this meeting, including items that are not set forth within this agenda.

In accordance with Section 286.26, Florida Statutes, persons with disabilities needing special accommodations to participate in this meeting should contact the City Clerk's office at 850-835-2822 by 5:00 p.m. on the day prior to the meeting.

No verbatim record by a certified court reporter is made of these proceedings. Accordingly, any person who may seek to appeal any decision involving the matters noticed herein will be responsible for making a verbatim record of the testimony and evidence at these proceedings upon which any appeal is to be based (see Section 286.0105, Florida Statutes).



**City of Freeport**  
Workshop  
6:30 PM/Council Chambers/Freeport City Hall  
April 24, 2018 Agenda

**III. Adjournment**

Mayor Barley adjourned the meeting at 8:32 p.m.

**FREEPORT CITY COUNCIL**

---

Mayor

ATTEST

---

City Clerk

The City of Freeport may take action on any matter during this meeting, including items that are not set forth within this agenda.

In accordance with Section 286.26, Florida Statutes, persons with disabilities needing special accommodations to participate in this meeting should contact the City Clerk's office at 850-835-2822 by 5:00 p.m. on the day prior to the meeting.

No verbatim record by a certified court reporter is made of these proceedings. Accordingly, any person who may seek to appeal any decision involving the matters noticed herein will be responsible for making a verbatim record of the testimony and evidence at these proceedings upon which any appeal is to be based (see Section 286.0105, Florida Statutes).