



CITY OF ANNA MARIA

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MINUTES CITY COMMISSION REGULAR MEETING MARCH 24, 2016 – 6:00 P.M.

Pledge of Conduct: We may disagree, but we will be respectful of one another. We will direct all comments to the issues. We will avoid personal attacks.

CALL TO ORDER

Chair Copeland called the meeting to order at 6:00 p.m.

PLEDGE TO THE FLAG

ROLL CALL

Present: Mayor Dan Murphy, Vice-Chair Nancy Yetter, Commissioner Dale Woodland, Commissioner Chuck Webb, Chair Doug Copeland, and Commissioner Carol Carter.

Also Present: City Clerk Diane Percycoe, Administrative Assistant Debbie Haynes, City Attorney Becky Vose, Sgt. Russell Schnering, and City Planner Bruce McLaughlin.

Press: Sun and Islander.

General Public Comment regarding non-agenda items and items not scheduled for future agendas will be taken at the beginning of the meeting with a limitation of three minutes. The Commission's intent is that General Public comment is to be used for the public to inform the Commission of new issues within the City. Public Comment regarding agenda items will be taken with each agenda item with a limitation of three minutes.

1. General Public Comment – None.

2. Finance Presentation – Investment Strategy – *Mayor Murphy/John Chambers*

Mayor Murphy presented the City's proposed strategy for addressing its investment strategies going forward. He noted the City is in the process of consolidating its funds into Hancock Bank in Holmes Beach.

- Revenues on a year-to-date basis forecasted on the current track, the City would come in around \$300,000 under budget. That amount was mostly based on the original budget having a \$1,000 fee for Vacation Rental Licenses – that was later lowered to \$695. Thus, counting for the drop in revenue.
- Dependent upon the upcoming paving project, Mayor Murphy is forecasting the Vacation Rental License expenses will be approximately \$550,000 under budget.
- Current reserves are around over \$3 million. With no changes, reserves at year-end will be approximately \$2,400,000. Best practices is 35% liquid in reserves - which would total \$1.2 million in reserves at year-end.
- Mayor Murphy felt the City should be more conservative than just limiting to 35% in reserves. An example includes needing repair costs for the City Pier.
- Anna Maria resident John Chambers has been asked to put together a financial plan for Anna Maria. Explanation followed.
- Options for reinvesting the City's additional funds are:
 - 1) Pay down loan of the City's six lots.
 - 2) Place funds into Florida Prime.
 - 3) Place funds in a Hancock Bank Money Market account.
 - 4) CD's, T-bills, etc.
- Mayor Murphy will provide the Commission with a financial investment update on a monthly basis.

John Chambers, 841 North Shore, introduced himself and explained his background as a CPA. Mr. Chambers referred to the three goals as part of the recently adopted investment policy: security, liquidity, and earnings from the investments.

Mr. Chambers informed staff proposes the City invest \$400,000 as follows:

Pay down loan of the City's six lots– Anna Maria took out a debt in 2011 for \$2,850,000 with a 3.94% interest rate. The first two years were interest-only payments. The loan term continues through September 2031. The loan

does have a pre-payment option allowing an annual pre-payment of up to \$500,000 with no penalty. After that point, the City can pay the total debt – which, at this point, is not possible.

Mr. Chambers informed if the City makes a \$100,000 pre-payment as soon as possible it will save the City \$80,000 over the remainder of the debt. Making a \$100,000 pre-payment each year over the next five years will save the City \$209,200 – and will also reduce the maturity date from September 2031 down to February 2028.

Mr. Chambers noted the City is currently being faced with lawsuits, and also the Pier repairs. However, he does want to address the pending loan at this point.

Florida Prime – Florida Prime’s current interest rate is .57%. Based on .57% over a 15-year period would result in approximately \$9,000 of accrued interest.

Hancock Bank Money Market Account and CD’S, T-Bills, etc. – Hancock’s interest rate at .25%. Other investments would be placed at a location where the City could get the best rate.

Additional Options – Refinance loan for the six lots in order to get a better interest rate. To refinance and make normal monthly payments, at even a 3% rate, would save the City \$266,000 - and the loan would be shortened by 14 months. There would be expenses involved. For example, in 2011 the issuance of the bonds cost the City approximately \$30,000. The pre-payment penalty of \$20,000 would also need paid on the current loan.

Commissioner Woodland asked about paying the total \$500,000 prepayment on the current loan - versus only \$100,000, feeling the additional \$400,000 amount could be taken out of the Florida Prime account. *Mr. Chambers* responded.

Mayor Murphy stated with all the unknowns the City is facing, he wants to keep the City’s finances conservative and liquid over the next 12 months. He recommended the Commission, going forward, address the loan on an annual basis.

Discussion followed.

Public Comment – None.

- **Motion: Move to approve the pre-payment of \$100,000 on the six lots owned by the City.**
Action: Approved. Moved by Commissioner Chuck Webb, Seconded by Commissioner Carol Carter.
On Roll Call Vote, the motion carried unanimously.

Chair Copeland asked for any Commission or Public Comment relating to the remaining investment options. There was no discussion or comments.

- **Motion: Move to authorize Mayor Murphy and City Clerk Percycoe to transfer a total amount of \$300,000 into Florida Prime, Hancock Bank, and other appropriate banks (having best interest opportunities).**
Action: Approved. Moved by Commissioner Carol Carter, Seconded by Commissioner Chuck Webb.
Motion carried – All Aye.

3. **Proclamation – Power of Purple Day – Relay for Life – *Mayor Murphy/Brittany Parker***
Mayor Murphy read and presented a Proclamation to Brittany Parker, American Cancer Society, designating May 14, 2016 as “Power of Purple Day.”

Brittany Parker, American Cancer Society, thanked the City for the Proclamation. She informed the Relay for Life will be held at Coquina Beach again this year. She noted a relay rally will be held at The Center of AMI on Thursday, April 7, 6:30 p.m. Teams, participants, and sponsors are being sought.

4. **Ordinance #16-812 - First Public Hearing - ROR Occupancy – Planner McLaughlin/City Attorney Vose**
Planner McLaughlin announced the P&Z Board met on March 22 and discussed Ordinance 16-812. The following recommendations were made:

Found Ordinance 16-812 to be consistent with the Comprehensive Plan. The P&Z did not, however, approve the Ordinance as submitted. They recommended adding a cross-reference to the Vacation Rental Ordinance. Planner McLaughlin suggested that alternatively, the cross-reference be to the code section of the Vacation Rental Ordinance.

The P&Z also had concerns regarding the Site Plan issue in context with the Site Plan Ordinance and their approvals - versus addressing it in Ordinance 16-812. Said concern to be addressed at the next P&Z meeting.

City Attorney Vose disagreed with the P&Z recommendation. She noted one of the three lawsuits over the Vacation Rental Ordinance dealt with the ROR. That lawsuit was settled with the finding the ROR was not covered under the Vacation Rental Ordinance. Once that finding was made, the lawsuit was dropped. Explanation followed. She recommended P&Z's recommendation not be added to the Ordinance.

Commissioner Webb suggested City Attorney Vose take both red-lined versions and consolidate them into one. He recommended determining what the language should state, but to continue the Ordinance until a time and date certain to allow time for City Attorney Vose's review.

City Attorney Vose stated she's hesitant to have Vacation Rentals as a listed special permitted use – and does not want to create any possible argument. She recommended there be consensus on how the Ordinance will read, followed by allowing for First Reading to be held that evening. The Ordinance can then be continued during Second Reading, if necessary.

City Attorney Vose read the Ordinance title.

Public Comment – None.

- **Consensus – To remove the P&Z recommendation “subject to the Vacation Rental Ordinance” as part of Ordinance 16-812. City Attorney Vose to review the Ordinance and bring back any further recommended changes to the next meeting.**

5. **Review Ordinance #14-766 – Grand Trees – Chair Copeland**
Chair Copeland announced a large tree had been severally pruned. At the previous meeting, it was recommended Ordinance 14-766 be reviewed.

Chair Copeland presented a “Problem” and “Solution” relating to the Grand Tree Ordinance. He recommended adding the following into the Ordinance - similar to DEP sea grape regulations or State mangrove regulations.

- 1) Set fines for trimming violations.
- 2) Require tree survey before any permit is issued.
- 3) Provide due process.

Commissioner Webb felt there were problems with the Ordinance as currently written. He noted there are no requirements for someone having to be licensed prior to removal of certain trees. He felt adding this requirement would make the City's enforcement much easier.

In addition, Commissioner Webb pointed out everything in the Ordinance is tied to a Building Permit – which he felt should not be the case. He further suggested DEP's regulations be adopted.

Chair Copeland noted in conversation with the Code Enforcement Officer, any violation of the Ordinance could go before the Special Magistrate - who could assess a \$5,000 fine. If the fine is not paid, a lien would be placed on the violator's property.

Discussion and examples followed. *Commissioner Yetter* felt photos should be taken prior to any permit being issued.

Chair Copeland said he also discussed with the Code Enforcement Officer the option of the Public Works employees beginning to document all Grand Trees in the City.

Mayor Murphy stated he would need to think that option through. He suggested tying the Grand Trees to the Site Plan and lot clearing.

Chair Copeland reminded many of the trees are being cut down upon purchase of a home - versus during new construction.

Discussion followed.

Consensus: City Attorney Vose was asked to begin working on an Ordinance revision, establish a fine for removal of a tree without a permit, establish regulations and require a permit for trimming, and include mitigation requirements in the event a tree is removed.

Noting as a Tree City USA, the City is supposed to inventory their trees, *Chair Copeland* suggested EEEEC be asked to do the inventorying of the trees. *Commissioner Webb* further suggested one of the High School Environmental classes could do the same.

City Attorney Vose explained and suggested establishing a Tree Bank.

Public Comment -

Resident pointed out a majestic Grand Tree had been removed from the corner of North Shore and Pine Avenue.

City Clerk Percycoe reminded the City had previously received a Tree Survey grant when surveying the Historical Park.

6. Authorization to Sign Agreement for Storage Units – Mayor Murphy

Mayor Murphy informed the City is currently paying \$14,600 (\$26.40 per sq. ft.) for 550-sq. ft. of storage unit space in the City of Bradenton. Records and other City property is being stored at that location. A lot of staff time is utilized when having to retrieve records from the storage facility.

There is an opportunity to rent space at 314 Pine Avenue that has more square footage, at only \$22.28 per square foot, for a total annual cost of \$16,000. The building is raised and would be as safe as the one in Bradenton.

Public Comment – None.

Motion: Move to authorize the Mayor to execute an agreement between Sandfish, LLC, and the City of Anna Maria, Florida for storage units at 314 Pine Avenue.

Action: Approved. Moved by Commissioner Chuck Webb, Seconded by Commissioner Dale Woodland.

Motion carried – All Aye.

7. Agenda Priority List – Chair Copeland

A listing of Priority Agenda items had been submitted by Commissioner Woodland.

Chair Copeland provided the example of #7 on the listing – “Protect Beach Accesses.” He suggested when discussing that particular item, it is placed on the Agenda as “Beach Accesses.” The person bringing the item forward should then be prepared to discuss what problems there may be, what needs to be addressed, and their solution(s) for solving the problem.

Mayor Murphy noted Commissioner Woodland's listing of items include tactical versus strategic items – then legislative issues versus day-to-day operations. He asked that any day-to-day operation, and any tactical concerns, be first brought directly to his attention to solve. Priority Agenda List item # 4 – Upgrade City Website, Improve e-mail, real-time streaming of City meetings, podcast meeting history, and explore outline interactive meetings” was used as an example that would be taken directly to Mayor Murphy.

7.1 Status Report and Consideration of Recommendation by Attorney as to Federal Lawsuit – Shawn Kaleta and Beach to Bay vs. City of Anna Maria – City Attorney Vose

City Attorney Vose recommended the Mayor be authorized to write a letter to the City's Insurance Company requesting they remove the nonmonetary settlement as a settlement option, unless approved in advance by the City. Also, that they provide a mutually agreeable attorney paid for by the Florida Municipal Insurance Trust - versus the attorney currently assigned to the case. Otherwise, the City will reject the conditional defense and take over the defense asking the insurance company to pay.

Public Comment

Sun Reporter Joe Hendricks asked for further information relating to how the insurance company pertains to the lawsuit.

City Attorney Vose explained the Florida League of Cities (FL Municipal Insurance Trust) serves as the insurance company for the City's liability claims.

- **Motion: Move to authorize the Mayor and City Attorney to draft a letter to the City's Insurance Company asking they remove the nonmonetary settlement as a settlement option, unless approved in advance by the City, and to provide a mutually agreed-upon attorney, paid for by the Florida Municipal Insurance Trust (FMIT), versus the attorney currently assigned to the case. If not, the City will reject the conditional defense and take over the defense and the insurance company will be asked to pay.**

Action: Approved. Moved by Commissioner Chuck Webb, Seconded by Commissioner Dale Woodland.

Discussion:

Commissioner Yetter asked if City Attorney Vose would come back to the Commission once a response has been received from the Florida Municipal Insurance Trust.

City Attorney Vose informed the City will move forward if FMIT does not respond favorably to the City.

Vote: On Roll Call Vote, the motion carried unanimously.

City Attorney Request for Shade Meeting

City Attorney Vose requested a Shade Meeting be held for each of the outstanding lawsuits. She will provide the Commission with the exact date requested after reviewing the status of each of the cases.

- **Motion: Move that a Shade Meeting be held at the request of City Attorney Vose to provide her advice regarding issues of settlement and strategy and finances relating to the Federal Lawsuit. Specific date and time to be determined by City Attorney Vose.**

Action: Approved. Moved by Commissioner Chuck Webb, Seconded by Chair Copeland.

Motion carried – All Aye.

- **Motion: Move that a Shade Meeting be held at the request of City Attorney Vose relating to the State Lawsuit. Time and date to be determined by City Attorney Vose.**

Action: Approved. Moved by Commissioner Chuck Webb, Seconded by Chair Copeland.

Motion carried – All Aye.

8. Mayor's Comments

Vacation Rental Registration

Mayor Murphy announced to date, the City has received approximately 60 applications out of a potential estimated total of 600. The deadline for applications is the upcoming Friday. Staff will be onboard to handle the applications coming in at the last minute. Comments relating to the financial impact followed. Mayor Murphy pointed out it was mainly the Rental Agents who had not yet applied.

9. Commissioners Comments – None.

10. **CONSENT AGENDA:** The following items are considered routine in nature and should be considered in a single motion. Items which warrant individual discussion should be removed from this list prior to the motion to adopt. Such items will be discussed separately.

- a. Approve Minutes: 2/25/16 Shade Mtg; 2/25/16 Reg Mtg
- b. Special Event: Vintage Flea – Across from Ginny’s and Jane E’s – 4/3/16 – 8:00 am – 4:00 pm
- c. Special Event: Snook Adams Kids’ Day – Anna Maria Island Privateers – Bayfront Park Pavilion – 6/11/16 – 9:00 am – 3:00 pm

Motion: Move that the Consent Agenda be approved as presented.

Action: Approved. Moved by Commissioner Chuck Webb, Seconded by Commissioner Dale Woodland.

Motion carried – All Aye.

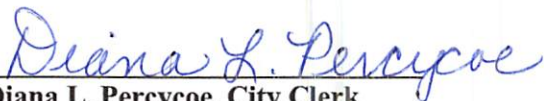
11. **CITY DEPARTMENT REPORTS AND UPDATES:**

- a. Sheriff’s
- b. Building
- c. Public Works
- d. Code Enforcement/City Pier
- e. City Clerk/Ordinance Update
- f. Finance

Press Comment – None.

Adjournment

The meeting was adjourned by Chair Copeland at 7:22 p.m.


Diana L. Percycoc, City Clerk

Minutes approved: April 28, 2016