

**CITY OF DUNNELLON  
SPECIAL CITY COUNCIL MEETING**

DATE: August 24, 2016

TIME: 3:00 p.m.

PLACE: City Hall

20750 River Dr., Dunnellon, FL34431

**CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Mayor Whitt called the meeting to order at approximately 3:00 p.m. and led the Council in the Pledge of Allegiance. Mayor Whitt asked if a citizen would volunteer to open with prayer. There being none, Mayor Whitt called for a moment of silence.

**ROLL CALL**

The following members answered present at roll call:

Nathan Whitt, Mayor, Seat 1

Larry Winkler, Councilman, Seat 2

Chuck Dillon, Councilman, Seat 3

Walter Green, Vice-Mayor, Seat 4

Richard Hancock, Councilman, Seat 5

**STAFF PRESENT**

Dawn Bowne, Interim City Manager/City Clerk

Jan Smith, Finance Officer

Mike McQuaig, Police Chief

Troy Slattery, Fire Chief (arrived approximately 3:30 p.m.)

Anthony Santacross, Public Service Supervisor

Mandy Roberts, Asst. City Clerk

Lynn Wyland, Staff Assistant

**LEGAL COUNSEL**

Andrew Hand

Shepard, Smith & Cassidy

**PROOF OF PUBLICATION**

Mrs. Bowne announced for the record the agenda for this meeting was posted on the City's website and City Hall bulletin board on Friday, August 19, 2016. Mrs. Bowne stated the Lease Agreement and additional backup was added to Item #1 and Item #3, respectively, on August 22, 2016.

**Mayor Whitt's comments**

There were none.

**PUBLIC COMMENTS**

Louise Kenny, 19970 Ibis Court, expressed her concerns with mosquito control no longer being in the City's budget, especially due to Zika Virus.

## REGULAR AGENDA

### **AGENDA ITEM NO. 1 – DRAFT LEASE AGREEMENT #LEA2016-02 WITH FLORIDA FIBER NETWORK**

Attorney Hand said is important for Council to approve the proposed Settlement Agreement and Mutual Release before approving the Lease Agreement. He stated upon reviewing the proposed documents, any minor modifications can be written in and the documents may be approved tonight.

Attorney Hand reviewed the Lease Agreement and discussed Council's concerns regarding utilities in the leased building. He said if another tenant/occupant moves in and shares the building, the City has the option to add a separate meter.

Council and staff engaged in lengthy discussion regarding the utilities. After much discussion, it was Council's consensus to amend Page 2, #6 to read: ***“FFN shall pay all operating expenses and utilities for the building in which the Premises are located ‘regardless of additional occupancy’ including but not limited to: water, electric, sewage, stormwater waste removal during the Term of this Agreement.”***

Attorney Hand stated when the proposed documents are approved by Council and sent to Mr. Orshan, there may be minor changes such as the name of signer or address for mailing notices.

Council directed Attorney Hand to verify the appropriate signer for FFN and add them to the proposed lease.

Councilman Dillon stated the City will have one year to decide on the use of the building. In the meantime, FFN is welcome to make a reasonable offer. He discussed the option of FFN making an offer on the Delaware Street property if they choose to relocate in the future.

Mrs. Bowne stated at Council's direction staff will proceed with preparing a surplus property resolution. Councilman Dillon recommended staff to continue the process.

Attorney Hand reviewed the terms of the Settlement Agreement. He explained Paragraph 2 establishes the date of June 30, 2016 as the date all debts are settled in full. He said Paragraphs #3 and #4 establish the amounts each party owes, and Paragraph 5 establishes a zero balance as of August 31<sup>st</sup>. All new charges will begin September 1<sup>st</sup>. Attorney Hand explained Paragraph 6 addresses requirements of the parties executing a Mutual General Release, stating there is no cause of action prior August 31<sup>st</sup>. He said that means neither party can sue the other. Paragraph 7 provides FFN will offer the City communication services at prices consistent with service charges for other business customers.

Councilman Dillon moved to approve Settlement Agreement #AGR2016-44 between the City of Dunnellon and Florida Fiber Network, subject to ministerial changes and verifying

the proper signatory on the document itself. Councilman Winkler seconded the motion. The vote was taken and all were in favor. The vote was 5-0.

Councilman Dillon moved to approve Lease Agreement #LEA2016-02 with a change to Page 2, Paragraph 6 noted, approval of the proper signatory and subject to any type of ministerial changes that do not affect the terms of the agreement. Vice-Mayor Green seconded the motion. The vote was taken and all were in favor. The vote was 5-0.

**AGENDA ITEM NO. 2 – PRESENTATION OF REQUEST FOR PROPOSAL (RFP)  
#BID2016-03 FOR EMPLOYEE INSURANCE BENEFITS – WILLIAM TAYLOR  
WITH COMBINED INSURANCE SERVICES**

Mrs. Bowne explained the City goes out to bid each year. She introduced William Taylor, Agent of Combined Insurance Services to review the bids.

Mr. Taylor reviewed the Executive Summary as presented to Council, and provided an overview of the responses receive from Blue Cross Blue Shield and United Healthcare. He said by reviewing alternative plans within UHC, he and his staff were able to identify a new base plan option that will result in the City being able to continue to offer a free plan to its employees. He reviewed Page 4 of the summary and provided a comparison between the current health plan and the proposed modified base plan. He stated the deductible on the proposed modified plan does go up, but the out of pocket maximum stays the same.

Mr. Taylor said in reviewing options for the buy-up plan, he was able to identify a plan that keeps the premium close to the current plan with some benefit adjustments.

Councilman Hancock inquired as to how many employees currently participate in the buy-up plan. Ms. Roberts stated the City has one employee participating in COBRA and three employees in the buy-up plan.

Mr. Taylor recommended replacing the current health plan with the new modified plan option. He said this will allow, from a budget perspective, for the City to continue to offer a free plan to its employees. He stated the new modified buy-up plan will provide an affordable option for employees to buy-up if they see the value in doing so. Mr. Taylor stated by renewing with UHC there would be no disruption among current in-network providers.

Mr. Taylor said the dental insurance is through Standard Life Insurance Company and the employees pay the premium. He said there is a 5% increase for dental insurance and he recommended renewal. He stated the vision insurance is with 20/20 Eye Care and there is no change in rates this year. Mr. Taylor stated the City provides each employee with 1 times their annual salary in life insurance and one time their annual earnings plus \$10,000 in Accidental Death and Dismemberment coverage. He said there are no changes to the life insurance premiums this year.

Mrs. Bowne thanked Mr. Taylor and Ms. Roberts for their combined efforts in ensuring the employees would not have to contribute towards their health and basic life/AD&D insurance premiums. She also thanked Mr. Taylor and his staff for the extensive amount of work that was required to solicit and analyze the proposals. She explained Mr. Taylor's company, CIS, provides additional services to the City at no extra cost.

**AGENDA ITEM NO. 3 – HEALTH INSURANCE – RFP #BID2016-03, EMPLOYEE GROUP INSURANCE SERVICES**

Councilman Dillon moved RFP #BID2016-03 be awarded to United Healthcare for health coverage as presented and The Standard for dental coverage as presented. Vice-Mayor Green seconded the motion.

Councilman Hancock inquired if the increase is accounted for in the budget.

Mrs. Bowne stated yes.

The vote was taken and all were in favor. The vote was 5-0.

Councilman Hancock moved to allow staff to renew the existing Standard dental and life insurance as presented. Councilman Dillon seconded the motion. The vote was taken and all were in favor. The vote was 5-0

**AGENDA ITEM NO. 4 – REVIEW OF CITY-WIDE BUDGETS**

Mrs. Smith reviewed the second draft FY2016-2017 Budget Summary, Page 2:

We are still pursuing options for contracting services but at this time we have neither received replies to our requests for quotes or fully vetted information we have obtained.

Adjustments made to GF Budget to cover shortfall:

Shortfall	\$107,441
Reduction/Increase to Expense:	
Water/Sewer Bond Repay	(25,000) council directive
Reduce unemployment compensation (01511)	(10,000) council directive
Reduce Council Salary	(4,853) council directive
Parks & Rec Expense Reductions	(3,000) per P&R supervisor
Increase Prof Svcs (01512)	15,000 council directive
Eliminate Mechanic Position	<u>(25,960)</u> council directive GF portion of salary & benefits saved
GF Shortfall in Expense Funding	(\$53,628)
Increase to Revenue.	
Fund GF Capital from Pub. Safety Reserve	\$31,563 council directive
Safety Grant Revenue (FL League of Cities)	5,750
City Website Advertising Revenue	5,000 ✓
CPR Certification Classes	4,500
Increase Copy & Records Search Revenue	1,731 updated projection based on actuals
Increase to misc. revenue	2,000 proceeds from surplus vehicles
Increase to misc. revenue	<u>7,000</u> council directive
Increase in Revenue/Transfers	<u>57,544</u>
Net Surplus	\$ 3,916

Mrs. Smith explained adjustments were made to the original proposed summary and with the corrections, the outstanding short fall is \$107,441. She reviewed options to reduce the shortfall in the General Fund by increasing the Sanitation Administration Fee to \$4.50 from \$2.50 and reducing the general fund employees' retirement contribution from 6% to 5%. Mrs. Smith explained Page 2 of the summary showing the adjustments to the General Fund budget.

Councilman Hancock stated he is prepared to accept the budget as presented and with the adjustments noted. He said this process provides him the assurance staff will be able to administrate this budget and provide the results accordingly.

Councilman Dillon asked if the costs (approximately \$32,000) for another fire assessment study was in the budget. Mrs. Bowne replied yes.

Council and staff engaged in lengthy discussion regarding the fire assessment. Mrs. Bowne said she will continue to move forward in preparing a survey/questionnaire to educate the residents of their options and receive feedback from the taxpayers.

Mrs. Bowne discussed the allocation of funds for a Public Safety roof repair. She recommended using funds from the public safety fund instead of taking from the City's reserves.

Councilman Hancock stated he is fine with the change and said the process we used for budgeting is going to be the same process we manage by every day.

Mrs. Bowne commented on the department heads and staff members stepping up in contributing to this year's budget process. She explained the challenge by Councilman Dillon to compensate the employees and the lack of funding. She said after reviewing the numbers, there is an anticipated surplus in the budget. She said the employees have not received an increase in five (5) years. She explained the extra costs to the employees with the health plans being modified, dental and vision insurance unfunded and modification to the general employee retirement plan. She prepared a spreadsheet and requested Council consider implementing a flat, across the board bonus of \$500, as an expense in this year's budget to express appreciation to the employees.

Councilman Dillon stated he proposed \$1,000, and the expense would be approximately \$57,000.

Council and staff engaged in discussion and reviewed the expenses to the Water, Sewer, TIFD and General Fund if bonuses were approved.

Councilman Hancock stated it is a worthy idea to consider, and we should recognize the effort that staff has made to get us there. He stated if year-end shows what he believes it will, and we want to make that recognition, he is fine with it.

Mrs. Smith reviewed the Sewer Enterprise Fund and said the revenues are budgeted at \$2.7 million with a balanced budget of \$2.7 in expenditures. She made minor adjustments in health insurance and retirement and removed the crane truck which was purchased in the current fiscal year. She said water revenues and expenditures are projected to be \$1.9 million. She commented on the rate study and said she will contact Florida Rural Water.

Mrs. Smith addressed the projected reserves in the Water and Sewer Funds. She stated best practices require at least four (4) months' worth of the current year's operating expenses. She said by the year ending 2017, the Water Fund's unrestricted operating reserves are projected to be \$602,627 and the emergency reserve at \$150,000. Mrs. Smith stated these two funds alone at the end of 2017 will equate to more than four (4) months' worth of operating expenses. She stated if her projections come close for the next fiscal year, Council could consider lowering water/sewer rates or building capital reserves in the 2018 budget.

She said the projected reserves in the Sewer Fund of \$580,000 and \$97,000 equates to more than four (4) months' worth of operating expenses. She said approximately \$79,000 more than what would be considered necessary to cover an emergency.

Councilman Dillon stated considering the condition of the infrastructure in the older part of the City, he feels any surplus should go to capital reserves as opposed to reducing rates.

Councilman Hancock commented on the Water and Sewer budgets and said he accepts the budget as presented with the understanding that the shape of the organization is still being explored. He said the goal is an organization that will best provide a quality service to the users and effectively maintain services. He said he trusts the current organization to accomplish this.

In addition, Councilman Hancock said he would expect the chief financial officer to thoroughly analyze allocations within the budget and determine the correct allocations for all departments and enterprises. He said we should begin to budget accordingly with annual updates to determine the correct allocation methods and amounts. He said this includes the recommendations made by the Utility Advisory Board, who have been of great benefit to the utility and the City.

Hugh Lochrane, UAB Chair, reviewed the following report:

August 20, 2016

FROM: Utility Advisory Board

TO: City Council

SUBJECT: Recommendations for FY 2016-2017 Utility Budgets

1. Utility customers are still being charged two-thirds (2/3) of costs associated with the annual audit and the MUNIS systems. The total budgeted for the annual audit is \$29,500. The utility budgets are absorbing \$19,666 (67%) of that amount. The total budget for the MUNIS system is \$38,152. The utilities are absorbing \$25,523 (67%) of that amount. Additionally, the utilities are absorbing \$2,930 of the total cost for the city's web site. If just the audit and MUNIS expense items were split fifty-fifty it would reduce the utility budget by \$11,363.

This same situation was identified in our budget review last year. It continues to be an inequitable split, with the utility customers absorbing two-thirds of the cost for these items.

The UAB recommends revising the split for these items to fifty-fifty for a reduction of \$11,363.

2. The utility budgets include \$8,800 to pay for the cost of combining the water and sewer budgets. The UAB, the staff and even the council, has recommended combining these budgets to make it easier to see the total cost of those items that are split between the two areas. Combining the accounts would make it easier to prepare, review and administer the budgets.

However, the expense of \$8,800 to make this change seems unreasonable. Even assuming a rate of \$75 per hour the total effort would be 120 hours. If the city decides to pursue this effort, the UAB recommends obtaining a specific scope of work quotation that fully defines the work to be performed and the man-hours required.

Given the current financial situation, the UAB recommends removing the \$8,800 for this item.

3. The UAB recommends reducing the amount budgeted for legal services from \$8,000 to \$5,000 (\$2,500 allocated to each fund). There are no pending or foreseeable legal actions affecting the water and sewer enterprise funds. The Board did take note of the pending need for legal services to prepare an ordinance dealing with charges associated with billing Rio Vista customers for reimbursements. The Board also recommends that staff look into the possibility of adding any legal expenses associated with this ordinance to the total amount of reimbursement.

This recommendation reduces the utility budgets by \$3,000.

4. The UAB reviewed the proposed capital expenditures for radio controlled meters and the Supervisory Control and Data Acquisition (SCADA) system. Both of these projects are to be funded with bond proceeds. The Board recommends tentative approval for both of these projects. Final approval should be dependent on the preparation and approval of detailed implementation plans that address the scope of work, who will be doing the work and when it will be done.

The Board did note that the SCADA project is identified as being Phase 1 of a larger effort, and that it only applies to the water utility. The Board feels it would be beneficial if the entire plan is documented so that the Board and Council can have a better understanding of the total cost for this system.

5. The water and sewer budgets include \$74,864 that is directly related to the billing process. These include postage, billing forms and lockbox processing fees. That equates to \$.026 of every dollar

collected. This does not include the \$25,523 that the utility budgets contribute to the MUNIS financial system, which is also used in the billing process. The Board recommends that staff look for reductions in this area, including the possibility of using a separate billing system for the utilities.

6. The Board did discuss the options for getting project management and engineering support for the utilities. These are the same options that council discussed at a previous workshop. The overall consensus of the Board is that the Council should go with the option of allocating funds for outside engineering support rather than hiring a Utility Director. This recommendation is based on the following:

a. The funding to support a new position (estimated at \$78,656) plus \$20,000 in contract engineering services would have to come from increasing rates, reducing the amounts going into reserves or reducing other expenses. None of these options are viable at this time.

b. The primary near term objective for the utilities is to maintain the existing infrastructure. Staffing for that seems sufficient. Other than the pipeline project proposed for 180th Ave Road, there are no large projects identified. The pipeline project can best be handled by contract engineering.

c. Any plan to bring on a full time Utility Director should be part of a larger plan that outlines what the city wants to do with the utilities. Do you want to make it a more autonomous operation with its own financial operations? Do you want to transfer control of the utilities to the county? Do you want to sell off those parts of the utilities outside the city limits? Do you want to turn over daily operation and management of the utilities to a management company? All of these options need to be considered before adding a Utility Director.

d. The most pressing personnel issue with the utilities is identifying what actions need to take place in preparation for the retirement of the current Utility Supervisor. This individual has a vast amount of historical knowledge of the current systems that needs to be handed off to one or more experienced workers, not a senior level Director.

The Board recommends selecting the option that identifies funding for task oriented engineering support. The funding can be identified, but only used as needed.

8. The debt associated with the utilities continues to have significant affect on rates. The following table shows how expenses other than operations and maintenance are affecting our rates:

<b>Billed Revenue</b>	<b>\$2,825,790</b>
<b>Debt Service</b>	<b>38.37%</b>
<b>Personnel</b>	<b>20.58%</b>
<b>Shared expenses with GF</b>	<b>2.43%</b>
<b>Billing expenses</b>	<b>2.65%</b>
<b>TOTAL</b>	<b>64.03%</b>

Mrs. Bowne and Mrs. Smith addressed the \$8,800 in the UAB recommendation, *Item #2*, the cost of combining the water and sewer budgets. Mrs. Bowne explained the cost is for extra programming required to transfer the history. She stated she would work with Mrs. Smith and continue to research alternative options in combining the two funds.

Councilman Hancock and Mr. Lochrane engaged in brief discussion regarding the water/sewer rates.

Mr. Lochrane discussed the lack of representation of a Dunnellon resident on the board. It was brought to Council's attention an application was received from Bill Maguire for a position on the UAB.

Council and staff engaged in brief discussion regarding what actions the City should take in preparing for the retirement of the current Utility Supervisor.

Mrs. Bowne provided Council additional reasons to support her request to hire a Utility Director. She presented the following:

**Further Education on Outsourcing Management vs Hiring Internal Staff (Utilities Director)**

**Goal:** Initially to provide a flow chart outline the facts/education/costs surrounding the four options as I saw them for Council's consideration with regard to the utility systems: sell, outsource operations, outsource system management or hire utility director.

**Expert Sources:**

**Frank DiGiovanni, City Manager of Inverness:**

- Contract with Woodard Curran for the complete operations and oversight of their water and sewer operations except for meter reading and utility billing. Extremely happy with company.
- Only reason - 17 million into system improvements and automation that exceeded the expertise and skill of their internal employees.
- Contracting out has increased their operational costs and at some point he is interested in taking the operation back in-house to reduce costs when the skill level is available for hire. Right now demand is high for these employees and availability is low.
- 45.28% increase in operational costs subsequent to outsourcing, then leveled off. See attached.
- Advantages related to outsourcing not so transparent in these numbers related to HR issues, etc.

**Dave Burnell, City Manager of Crystal River - left two messages/no return call to date.**

- Per Frank D., Mr. Burnell is an Environmental Engineer and Crystal River has contracted out their operations for approx. 20 years.
- Contracted with Veolia for many years and recently awarded the RFP to US Water.
- No further information/education until I can speak to Mr. Burnell.

**Glenn Burdin of Woodard Curran (Also viewed our plant under invitation by Esch)**

- Was pretty knowledgeable about our system from a previous review/tour of system and discussion with staff and had reviewed budgets.
- Can provide complete operations including Project Manager (Director), have their own in-house engineer, accountant, interested in long-term contracts (5/10 yr), expansion, funding assistance, help obtain funding with a goal to improve and update systems.
- Their Initial review of Dunnellon stopped/didn't feel like Esch was serious about the commitment to outsource, would require Dunnellon to experience expense to mitigating safety concerns, internal electrical work/wiring being done, City salaries very low, concerned about getting established and then City turning it over to County. So, with all those things considered did not invest the time in providing written documentation/quote.
- When asked if once certain items were mitigated, did he feel the operational costs could be reduced through consolidation, efficiency improvements, etc. He could not say at this point. He did indicate it was possible. Although he felt current City salaries were very low as part of the operational costs.
- Recommended before the City do anything, must consider a full utility analysis to educate in order to make the best decision moving forward with regard to staffing, outsourcing, or selling system. Estimated \$20,000/\$25,000 depending on agreed scope of services.

**Lewis Bryant – Kimley-Horn, City Engineer**

- Make sure that all operations are following terms for permitting.
- He personally prefers control of system with internal staff. However, has seen it work both ways for many of their Cities.
- Is concerned that the City must get someone to back-up and start learning from Richard now. Employees very hard to find. In that respect, he indicated outsourcing may be a better option for Dunnellon.
- Felt the City should have a detailed rate study updated by professional firm. Stated you could ask outsourcing companies to provide a utility analysis as a part of their RFP submittal as an incentive to get the job. (I don't think I really agree/I have issue with trusting results from that approach).
- Dade City just took their operations back from outsourcing.
- Wakulla County - out sources public services and utilities.
- Key is in the company or the person providing the service. Has seen many systems left in bad shape as a result of outsourcing.

**Kevin Grace - FGUA/Florida Government Utility Authority - Kevin Grace**

- State of Florida/Gov't Services Group, assists through Interlocal Agreement.
- Initially/historically help small private plants not able to continue operations. Take-over/improve them so that local government would have interest in acquiring them. Not always case.
- Wide variety of services are available to City.
- They can acquire municipal systems subject to due diligence. Will look at all aspects. Initial due diligence at their risk. If want to go further, City must enter into agreement, final due diligence performed.
- Lease Option.
- Contract for operations.
- Contract for project management.
- They have advantage over private company because they can acquire tax exempt bonds for capital improvements.
- Operational cost run about the same as private.
- Recommend Council first must decide what they want: sell it, keep it, outsource, internal staff? If keeping system, recommends considering hiring internal manager. However, don't hire manager and expect him to participate in a neutral manner to evaluate options which may eliminate his job.

- Downside of outsourcing: typically they just continue status quo operations and entity continues to fail to improve system and only maintains it.
- Upon my inquiry as to how to educate Council so that decision can be made, he recommended a utility analysis by an objective source (Not anyone being considered to provide services so results are not feathered, or appear to be).

**Conclusion:** At the present time there is not a right answer without further research and education. These responses are all over the map and you have to apply them based on Dunnellon's particular situation.

The UAB Board is not wrong to recommend outsourcing; I am not wrong to recommend a utility director be hired. Based on my initial education, I recommended the utility director for specific reasons as were discussed in our last budget workshop meeting. However, upon further research, I think we still have more learning to do around our system in order to make the right decision for our customers.

All of the above are aspects of our system and all of these are options. Which one is right for Dunnellon? Council is going to have to decide, and we have to operate the system until a decision is made that is best for our users.

Previously there has been information shared that perhaps has been misleading. I need more time to finish educating myself and Council. We are analyzing the operations of police and fire services by comparing and studying our options. We should do the same with utilities. I am committed to obtaining accurate information for Council to make this decision and hopefully be able to fund that decision.

However, you have to provide me the funding to accomplish this. Even if that means moving the money allocated in personnel to professional services to be available for whatever decision is made by Council.

Cash flows reflect a positive advance to reserves projected in the budget with the proposed budget funding as currently allocated. Therefore no rate increase is being recommended until cash flows reflect a need. The money is available to fund my request without affecting rates.

Council and staff engaged in discussion regarding the 180<sup>th</sup> Avenue Road project and the utility analysis.

Councilman Hancock commented on his appreciation of the effort Mrs. Bowne displayed in her presentation. He recommended Council accept the budget, and after a through utility review, staff can implement the organization that is needed to move the utility forward.

Councilman Hancock said two months ago the public and Council were told by previous management that a balanced budget would be impossible to achieve this year. He stated this staff has made the impossible, possible. He thanked staff for accepting the challenge. He said managing the budget will be the challenge.

Mrs. Smith stated the CRA budget is balanced at \$556,467.

Council and staff engaged in brief discussion regarding the old library being a CRA building. Mrs. Bowne explained the building is not in the CRA, but there were some improvements made to the building by an amendment through the CRA.

Mrs. Bowne thanked Mrs. Smith for her time and commitment during the budget process.

Councilman Winkler read articles from the years 1995, 1996 & 1997 referring to the Hwy 484 tuber exit and the County's lack of involvement.

Councilman Hancock reported on the TPO meeting he attended yesterday, where he shared Council's desire to pursue bike path "Option D" versus "Option C". He said our CRA has agreed to contribute \$50,000 over the next five (5) years to the Capital Budget.

Councilman Hancock and Chief McQuaig met with Kathy Bryant, Marion County Commissioner and Jim Couillard, Parks & Recreation Director, to discuss the Rainbow River and the tuber exit. He invited both to come and share their visions for the recreational use for the Rainbow River.

Councilman Hancock commented on the council appointed "fact-finding group" created to address tubing issues on the river. He asked council members to share ideas or comments on this issue with the group. Mrs. Bowne explained the group is a "fact-finding" group and will report their findings to Council.

Councilman Dillon stated he spoke to Bill Northsea, a City resident, who stated he would prepare the architectural design required for the City Beach at no cost.

Mayor Whitt discussed the billboard on the vacant lot the City is interested in purchasing for parking, next to the Chamber of Commerce. He stated the asking price is \$150,000 with the billboard, which the current owner felt could be a revenue source.

Mayor Whitt provided an update regarding a meeting he attended in Tallahassee at the Governor's office regarding the Withlacoochee River Basin Economic Development Compact project/partnership.

Mrs. Bowne stated Fred Fox would like to attend a meeting to discuss possible grant funds for the proposed bike trail.

**AGENDA ITEM NO. 5 – ADJOURN**

At approximately 7:35 p.m. Councilman Dillon moved the August 24, 2016 Special City Council meeting be adjourned. Councilman Winkler seconded. All members voted in favor. The motion passed 5-0.

Attest:

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Dawn Bowne, MMC  
Interim City Manager/City Clerk

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Nathan Whitt, Mayor