

**CITY OF DUNNELLON
CITY COUNCIL WORKSHOP**

DATE: November 9, 2016

TIME: 5:30 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 5:30 p.m. and led the Council in the Pledge of Allegiance. Marilyn Welch provided the invocation.

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

Chief Mike McQuaig, Police Dept.

Chief Troy Slattery, Fire Dept.

Jan Smith, Finance Dept.

Mandy Roberts, Assistant City Clerk

LEGAL COUNSEL

Andrew Hand

Shepard, Smith & Cassady

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, November 4, 2016. The agenda was modified to add additional backup to Item #6.

AGENDA ITEM NO. 1 – BOARD REPORTS

Burt Eno, Vice-Chair, provided an update on the Utility Advisory Board meeting activity.

AGENDA ITEM NO. 2 – DUNNELLON BUSINESS ASSOCIATION REPORT

Danielle Stevens, Executive Officer, provided an update to include a dinner mixer on November 22nd at the Train Depot and the "Shop Local" campaign.

She requested permission from the Council to use the "125th Anniversary" logo on Christmas ornaments they will be selling. She explained the DBA will donate \$1.00 per ornament sold to the 125th Anniversary Park project.

Council agreed to place approval on the consent agenda.

AGENDA ITEM NO. 3 – DUNNELLON CHAMBER OF COMMERCE REPORT

Penny Lofton, Chair, provided an update on recent events to include the Trail of Treaters, Chamber membership, Chamber mixer at the Train Depot on December 8th and assisting with Light Up Dunnellon.

AGENDA ITEM NO. 4 – FLORIDA RURAL WATER ASSOCIATION PRESENTATION – TOM GUSTAFSON

Mr. Gustafson provided a PowerPoint presentation *which is attached hereto and made a part of these minutes*. He discussed the water loss issue and how this affects the study. He explained a few leaks were discovered, but not enough to account for the total loss. Mr. Gustafson stated he believes it could be a software/reporting issue.

Mrs. Smith explained that Woodard & Curran will be conducting a forensic audit of the system. She stated the approximate water loss was 20% prior to adding the Rainbow Springs and Juliette Falls utility systems. She said the water loss is now approximately 46%.

Councilman Dillon asked if Marion County Fire Rescue reports to the City when they use a fire hydrant in Rainbow Springs. Mrs. Smith said according to Richard Grabbe, they do not.

Mr. Gustafson stated according to the study, the current rate structure is sufficient, and he agrees with the Burton & Associates rate plan and structure. He noted the SRF loans require sufficient reserves and the study finds compliance with the system.

AGENDA ITEM NO. 5 – LETTER OF CONCERN REGARDING SABAL TRAIL PIPELINE

Mrs. Bowne stated the proposed letter was drafted by Chief McQuaig for presentation to the Council. Councilman Hancock recommended copying the letter to surrounding cities, counties and other interested parties.

Council agreed to place this item on the consent agenda.

AGENDA ITEM NO. 6 – PUBLIC SAFETY COMMUNICATION SYSTEM PRESENTATION AND PROPOSED LEASE-PURCHASE AGREEMENT #LEA2016-05 WITH MOTOROLA SOLUTIONS – CHIEF SLATTERY (ADDITIONAL BACKUP ADDED)

Mrs. Bowne explained this topic was placed on the agenda for discussion and Chief Slattery would provide the Council with detailed information. She introduced Jeannie Rickman, Assistant County Administrator, who is in attendance to answer questions if necessary. Chief Slattery introduced Chief Craig Damien, MCFR Public Safety Communications Director and Robert Webb III of Trico.

Chief Slattery provided a PowerPoint presentation, *which is attached hereto and made a part of these minutes*. He explained the County recently informed the City that the purchase of new radios would be necessary to remain in communication with the County. He further explained reasons for the necessary upgrade to include newer technology and security. Chief Slattery stated the radios are also nearing the end of service. He reviewed the options as presented, the pros and cons to each and the departmental expenses.

Vice-Mayor Green asked how many radios the departments need. Chief Slattery stated the Fire Department has approximately 14, including the base station and those issued to volunteers. He said the Police Department has approximately 24, including the base station, vehicle and portable radios.

Councilman Winkler suggested addressing this issue after review of the survey results and determining an outcome with regard to operation of the departments.

Councilman Dillon said the City cannot afford to keep both departments. He recommended operating the Police Department and a Volunteer Fire Department. Chief Slattery made note that a volunteer department would need radios.

Mrs. Bowne stated this topic was placed on the agenda prior to review of the survey results because Council would need this information moving forward in the decision making process.

Ms. Rickman approached the podium and provided Council further explanation. She said the former PSC Director received an offer from Motorola in August and they remain in negotiations. She said the current staff reached out to Dunnellon more recently and explained the cost of the radios would be at the County's negotiated price. Ms. Rickman stated that the BOCC is not prepared to make a decision on the radios until all affected parties have made a decision.

Vice-Mayor Green asked if grant assistance is available county-wide.

Ms. Rickman said she is not aware of any, and the County plans to fund the purchase with the 1 cent sales tax revenue. Vice-Mayor Green said it is unfortunate that the City was not aware of this need prior to adopting a budget which allocated the 1 cent tax toward other needs of the departments.

Councilman Winkler stated he feels the residents are being double taxed, and asked why the County wouldn't fund the entire purchase county-wide. Ms. Rickman said she would address that option with the Board.

Councilman Hancock suggested we should have consulted with the County during the budget process. He said it is important for us to know what the County is planning; especially with regard to the services they provide the City today. He said there is no

other way to fund the purchase, other than with the 1 cent sales tax. He discussed several options such as reallocating the sales tax revenue in the budget, and foregoing the sales tax to Marion County if they fund the entire system. Ms. Rickman said she would take any suggestions by the Council to the Board for their consideration.

AGENDA ITEM NO. 7 – PUBLIC SAFETY SERVICES – SURVEY RESULTS

Mrs. Bowne reviewed the survey results, *which are attached hereto and made a part of these minutes.*

Councilman Winkler offered history regarding the fire department, since he first served on City Council in 1994. He explained the City has always responded to the unincorporated areas of Marion County without compensation, as well as Citrus County. He said we cannot afford it and we need to turn the fire service over to the County.

Mrs. Bowne and Chief Slattery briefly reviewed the mutual aid agreement with the Counties.

Councilman Hancock stated in order to properly fund the departments, he feel the City needs to budget \$150,000 - \$200,000 extra per year to fund capital and implement an adequate employee retention program. He said Council must either find a way properly fund the departments, or reduce services. Councilman Hancock said if not for the 1 cent sales tax, there would be no capital budget.

Council further discussed the survey results and Vice-Mayor Green said it is the duty of this Council to listen to what the residents want, and to make decisions that are in the best interest of the City.

AGENDA ITEM NO. 8 – SCOPE OF SERVICES FOR FIRE ASSESSMENT STUDY – GOVERNMENT SERVICES GROUP (GSG)

Councilman Hancock said if the assessment cannot fund 100% of the cost to operate the fire department, the expected additional general fund savings would be reduced.

Mrs. Bowne reviewed the timeline and stated the required ads are scheduled to be published in the event that Council decides to move forward with implementation.

Councilman Winkler asked how the study would be funded. Mrs. Bowne stated the cost would be recouped through the assessment.

Councilman Dillon stated he believes the residents will experience a tax savings if the service is provided by Marion County. He said the City could use the savings in millage to reduce debt, or perhaps reduce the millage rate.

Mrs. Bowne stated the County assessment would be charged to the residents, plus an additional .77% advalorem for EMS service.

Mayor Whitt asked the Council to be cautious in its decision on how the residents will be affected.

Chief Slattery reviewed the number calls DFR has responded to in Marion and Citrus Counties since 2013 and suggested a joint meeting with Marion County to discuss fire services provided by both agencies, inside and outside of the City.

Councilman Dillon said the City cannot afford a paid fire department.

Mrs. Bowne explained the County must follow the same process the City would have to should Council decide to turn services over to them. They would be bound by the same timeline.

Councilman Hancock said we need to further analyze the transition, timeline, etc.

**AGENDA ITEM NO. 9 – PURCHASE OF POLICE PATROL CARS
(ADDITIONAL FINANCIAL INFORMATION TO BE PROVIDED BY CHIEF
MCQUAIG)**

Chief McQuaig stated the interest rate on the vehicles would be \$760 per year, which is far less that what is being spent on annual maintenance. He explained the cars are becoming unsafe. The new vehicles would have a 36,000 mile warranty with a 5 year/100,000 mile warranty on the drive train. He stated Cadence Bank is interested in providing the financing. Chief McQuaig proposed purchasing three vehicles, and obtaining two more through a grant.

Councilman Hancock said the three vehicles were funded in the budget with the 1 cent tax; however, we now need to purchase radios. He said he isn't sure how we can afford to do both.

Councilman Dillon suggested restricting take-home cars to officers who live in the city limits. Chief McQuaig explained the take-home car program is a fairly low cost incentive to hire and retain employees who are starting at a lower rate of pay than other agencies offer. He said it also provides for a faster response time if an officer is called in while off duty.

Mrs. Smith said the current budget contains \$75,000 for three patrol cars; two cars at \$30,000 and one at \$15,000. She explained the sales tax revenue is projected to be received around February or March.

There was much discussion regarding the rotation of vehicles, vehicle mileage and the number of officers on duty at any given time.

Councilman Hancock asked for an updated list of vehicles and their current condition. Chief McQuaig said there was no change since the last presentation.

There was discussion with regard to the process of transitioning to County provided law enforcement should the Council decide to move in that direction.

AGENDA ITEM NO. 10 – AGREEMENT #ARG2016-56, COMPUTER NETWORK SUPPORT FOR POLICE DEPARTMENT

Chief McQuaig explained the Police Department currently contracts with Artemis for network support at a cost of \$1,400 per month. He said the proposed agreement with Brattix would cost \$900 per month. He explained the request for \$12,000 includes the monthly fee and the additional cost of installing a new computer system.

Council agreed to place this item on the consent agenda.

AGENDA ITEM NO. 11 – LEASE #LEA2016-03, XEROX FOR PUBLIC SERVICES

Lonnie Smith provided the following staff report:

SUBJECT: Copier lease for Public Services								
Request For Approval: Agreement LEA#2016-03 Request to approve copier lease from Xerox								
SUMMARY EXPLANATION & BACKGROUND: Public Services is in need of a new Printer/Copier/Scanner. The old model is obsolete and parts are difficult if not impossible to find. Xerox offers State contract pricing and has quoted the following: <table><thead><tr><th>Model</th><th>PPM</th><th>Lease/mo(48mo)</th><th>B&W copy(each)</th></tr></thead><tbody><tr><td>Xerox5335</td><td>35</td><td>\$115.73</td><td>.0093</td></tr></tbody></table> This purchase was planned and was included in the 2016-17 budget. The scanning application on the old copier is not working properly and continues to cause problems with the newer PC operating systems. The quote is also lower than the same model that we contracted for Utility Billing 2 yrs ago (\$119.10/mo).	Model	PPM	Lease/mo(48mo)	B&W copy(each)	Xerox5335	35	\$115.73	.0093
Model	PPM	Lease/mo(48mo)	B&W copy(each)					
Xerox5335	35	\$115.73	.0093					
FISCAL INFORMATION: Total 12 month lease amount is \$1,388.76. Funds budgeted FY16-17 Roads & Streets \$480, Water Fund \$480, Sewer Fund \$480. Total budgeted \$1,440.00								
PROCUREMENT METHOD: Quotes from Xerox with State Contract pricing								
PURCHASE REQUISITION NUMBER:								
RECOMMENDED ACTION: Approve new lease for Xerox 5335 for Public Services								

Council agreed to place this item on the consent agenda.

AGENDA ITEM NO. 12 – ORDINANCE #ORD2016-11, RIO VISTA CAPITAL CHARGE – BILLING RIO VISTA UTILITY CUSTOMERS FOR THEIR PORTION OF THE RIO VISTA WASTE WATER TREATMENT FACILITY DECOMMISSIONING PROJECT

Mrs. Bowne reviewed the following staff report and explained first reading of the proposed ordinance would be held on Monday at the regular council meeting.

Mrs. Smith stated she received three calls from Rio Vista property owners, one of them being very upset. Councilman Hancock suggested creating a script of what has occurred and why to provide to those who do not understand the history of the project.

SUBJECT: Billing Rio Vista Utility Customers for their portion of the Rio Vista Waste Water Treatment Facility Decommissioning Project	
Request For Approval: Ordinance #ORD2016-11 Rio Vista Capital Charge	
SUMMARY EXPLANATION & BACKGROUND: The City received a grant from FDEP to decommission the Rio Vista WWTP. This project was completed in FY15-16. The cost of the project totaled \$1,294,259.72. The grant funded \$914,294 with the balance paid from sewer bond proceeds. The purchase agreement for Rio Vista states the City will bill Rio Vista sewer customers the portion of the project not funded by the grant in an amount not to exceed 31.1% of the total cost of the project. The portion not funded by the grant is 29.36%.	
In order to bill the sewer customer the City must adopt the attached ordinance. Per our City Attorney, we can pass along the legal fees and public hearing advertising costs incurred to prepare this ordinance. The fees total \$1,603.30. The total to be billed to Rio Vista sewer customers over twenty years is \$381,569.02. This equates to \$29.45% which is below the maximum allowed under the purchase agreement.	
Rio Vista WWTP Decommissioning Project Cost	\$1,294,259.72
Legal Fees and Public Hearing Ad for Capital Charge Ordinance #2016-11	1,603.30
Subtotal Project Cost	1,295,863.02
Less grant proceeds	914,294.00
Total owed from Rio Vista Property Owners	\$ 381,569.02
Funds will be deposited into the Sewer capital replacement reserve annually at fiscal year end.	
FISCAL INFORMATION: All Rio Vista sewer customers will be required to pay a monthly capital charge of \$40 until the total of \$381,569.02 has been repaid to the City.	
PROCUREMENT METHOD:	
PURCHASE REQUISITION NUMBER:	
RECOMMENDED ACTION: Adopt Ordinance #ORD2016-11	

Council agreed to place this item on the regular agenda.

AGENDA ITEM NO. 13 – RESOLUTION #RES2016-30, SEWER FACILITY CAPITAL CHARGE ON RIO VISTA UTILITY FACILITIES CUSTOMERS OR PROPERTY OWNERS

Mrs. Bowne explained the proposed resolution would establish the fee and be considered for adoption if the proposed ordinance passes on second and final reading.

AGENDA ITEM NO. 14 – LEASE #LEA2016-04, RENTAL OF VACANT CITY OWNED PROPERTY IN RIO VISTA

Mrs. Bowne reviewed the following staff report.

After discussion and review of the proposed lease agreement, Council agreed to strike Item #4 regarding security deposit, and establish an effective date of January 1, 2017.

Council agreed to place this item on the consent agenda.

SUBJECT: Rental of vacant City owned property in Rio Vista
Request For Approval: Lease Agreement LEA#2016-06 between the City of Dunnellon and Rio Vista HOA for the use of vacant property for overflow parking
SUMMARY EXPLANATION & BACKGROUND: The City purchased Rio Vista Utilities in 2011 to decommission their wastewater treatment facility and tie current sewer users into the City's system. Page 6, Paragraph 12 of the purchase agreement states "...the City will enter into a land lease arrangement with the HOA to provide for over-flow parking and storage related to the use and enjoyment of the HOA Park for rent in the amount of \$1.00 per year." Richard Grabbe has reviewed the arrangement and determined that at this time there are no plans for improvements to this parcel and therefore it can be used for over-flow parking.
FISCAL INFORMATION: Annual Rent \$1.00 plus applicable sales tax
PROCUREMENT METHOD: PURCHASE REQUISITION NUMBER:
RECOMMENDED ACTION: Authorize Mayor to execute lease agreement #LEA2016-06

AGENDA ITEM NO. 15 – 2015 - 2016 FISCAL YEAR END PRELIMINARY FINANCIAL SUMMARY

Mrs. Smith explained several council members asked staff to provide the City's cash position at 9/30/16 in order to consider issuing bonuses to City employees. She reviewed the preliminary breakdown as of 9/30/16 in all funds.

Councilman Dillon stated he is in favor of offering bonuses to employees who are not currently on probation. It was agreed that those employees would receive the bonus upon successful completion of a favorable six month evaluation. Council agreed to bonuses for full time and permanent part time employees.

Councilman Hancock thanked the City staff for enduring five years with no wage increase. He said the bonuses are warranted to show the employees that they are appreciated.

Councilman Dillon agreed, and said the money staff has saved the City exceeds the cost of providing bonuses.

AGENDA ITEM NO. 16 – AMENDMENT TO AGREEMENT #AGR2014-29, TRAFFIC SIGNAL MAINTENANCE & COMPENSATION AGREEMENT WITH FDOT

Mrs. Bowne reviewed the following staff report.

Council agreed to place this item on the consent agenda.

Subject: <u>Amendment AGR2014-29 Traffic Signal Maintenance & Compensation Agreement with FDOT</u>
Request for Approval:
Summary Explanation and Background: A summary of changes as revised by FDOT Central Office: Simplified language for penalties and retainage; Changed responsibility for pursuing 3rd party damage insurance from Maintaining Agency to FDOT; Added Force Majeure clause to remove liability from both the Maintaining Agency and the FDOT in the event of an Act of God, etc.; Changed responsibility for periodic mast arm maintenance from Maintaining Agency to FDOT; Increased time to repair critical detectors to 90 days (was 60 days); Decreased inspections to 50% of signals every year (previous was 100% per year); Added new Exhibit C with form for reimbursement for 3rd party damage.
Fiscal Information: _____ - _____ - _____ - _____ - _____ Project No. (if applicable)
Amount: _____
Procurement Method: _____
Purchase Requisition Number: _____
Recommended Action: <u>Authorize Mayor to sign Amendment to Traffic Signal Maintenance Agreement</u>

AGENDA ITEM NO. 17 – REGULATION OPTIONS PENDING OUTCOME OF PROPOSED FLORIDA CONSTITUTION AMENDMENT 2 – FLORIDA MEDICAL MARIJUANA LEGALIZATION – COUNCILMAN DILLON & CITY ATTORNEY HAND

Councilman Dillon explained he asked for this to be addressed to be proactive rather than reactive.

Attorney Hand explained the Council’s options. He said establishing a moratorium would give the City time to consider permitting and zoning issues, while the Department of Health is in the process of establishing regulations. He explained this allows time for Community Development to confer with the Planning Commission on such issues.

Council agreed to first reading of the proposed ordinance in December.

AGENDA ITEM NO. 18 – COUNCIL COMMENTS

Councilman Dillon stated an addendum to the Memorandum of Agreement #2016-47 between the City and the Art Group (RSFAA) is needed to clarify the City’s responsibilities regarding indoor maintenance of the facility.

Council agreed to place this item on the consent agenda.

Councilman Hancock discussed the election results and said Council needs to discuss how to move forward with staff. He suggested anyone hired by the Council should have an employment contract. He asked Mrs. Bowne to provide recommendations to the organizational chart.

Mayor Witt reported on a meeting with Hernando County TPO regarding trail connections.

AGENDA ITEM NO. 19 – CITY MANAGER COMMENTS

Mrs. Bowne reported on the following:

- Ad for Delaware house, surplus property
- Ad for RFP, Cemetery Repaving
- Woodard & Curran Utility Analysis
- TPO Meeting next week
- City Beach Closing, under construction
- Email from Mrs. Taubert, ADA compliance being addressed by FDOT
- Employee Appreciation Luncheon
- SWFWMD Scada System Grant
- Kimley Horn IPO for BMAP assistance

AGENDA ITEM NO. 20 – PUBLIC COMMENTS

Louise Kenny, 19970 Ibis Court, thanked Mayor Whitt for his service

Mary Ann Hilton, 12078 Palmetto Court, thanked the Council and Mrs. Bowne for her hard work as Interim Manager.

Tim Inskeep, Resident, thanked Council for the survey and spoke in favor of keeping the fire department.

Linda Fernandez, 20895 W. Pennsylvania Ave., said she is glad Council gave the residents a voice. She spoke in favor of keeping the fire department.

The meeting was adjourned at approximately 9:25 p.m.

Attest:

Dawn Bowne, MMC
Interim City Manager
City Clerk

Walter Green, Mayor

City of Dunnellon Water and Sewer Rate Study September 19, 2016



**Tom Gustafson
Financial / Mgmt Circuit Rider
Florida Rural Water Association**

City of Dunnellon W&S Rate Study

- Cost of service is determined by reviewing fixed cost expenses (debt service, infrastructure repair needs, etc.)
- Cost per thousand gallons is determined by dividing the amount of water pumped for the year by the expenses to run the utility.



[..\Dunnellon\Dunnellon Rates 2016\Dunnellon Rate](#)

City of Dunnellon W&S Rate Study Findings & Recommendations

- **Water & Wastewater Revenues (rates) are currently adequate to meet expenditures**
- **If a truly funded depreciation schedule were utilized a 2.41% increase of water base rates would be needed. If wastewater was funded for depreciation a 23.25% increase in base rates would be needed.**

City of Dunnellon W&S Rate Study

Water Rates Usage Charges (Existing Residential)

Water Rates	Existing Rates 2016
Base Facility Charge	\$17.40
0 – 4,000	\$2.27 per thousand
4,001 – 10,000	\$4.54 per thousand
10,001 – 20,000	\$6.59 per thousand
20,001 – 30,000	\$9.22 per thousand
Greater than 30,001	\$12.91 per thousand

City of Dunnellon W&S Rate Study

Non-residential Water Base Rate

CURRENT Base Charges		
3/4 "	Meter	\$17.40
1"	Meter	\$43.50
1 1/2"	Meter	\$87.00
2"	Meter	\$139.20
3"	Meter	\$278.40
4"	Meter	\$435.00
6"	Meter	\$870.00
8"	Meter	\$1392.00

City of Dunnellon

Sewer Base Facility Charge

METER SIZE	MONTHLY AVAILABILITY CHARGE	MONTHLY GALLONS	USAGE RATE (PER THOUSAND GAL)
3/4 Inch	\$17.11	0-4,000	\$8.46
		Greater than 4,000	\$16.92
1 Inch	\$42.78	0-10,000	\$8.46
		Greater than 10,000	\$16.92
1 – ¼ Inch	\$51.33	0-12,000	\$8.46
		Greater than 12,000	\$16.92
1 – ½ Inch	\$85.55	0-20,000	\$8.46
		Greater than 20,000	\$16.92
2 Inch	\$136.88	0-32,000	\$8.46
		Greater than 32,000	\$16.92
2 – ½ Inch	\$205.32	0-48,000	\$8.46
		Greater than 48,000	\$16.92
3 Inch	\$273.76	0-64,000	\$8.46
		Greater than 64,000	\$16.92
4 Inch	\$427.75	0-100,000	\$8.46
		Greater than 100,000	\$16.92
6 Inch	\$855.50	0-200,000	\$8.46
		Greater than 200,000	\$16.92
8 Inch	\$1,368.80	0-320,000	\$8.46
		Greater than 320,000	\$16.92

City of Dunnellon Rate Study

Recommendations

- **Annual Cost-of-living Adjustments**
 - **Prudent utility practice to sync water and wastewater rates with annual cost-of-living adjustments for the utility to keep pace with incremental costs into your rate ordinance**
 - **Annual Adjustment Based on Verifiable Index**
 - **Engineering News Record (ENR) Construction Consumer Index**
 - **Florida Public Service Commission 2016 Price Index**
 - **United States Department of Labor Consumer Price Index (CPI)**

City of Dunnellon Rate Study Recommendations

1.Recommendation – In the future it may be prudent to hire a consulting firm to provide a detailed rate study.

2.Recommendation – revisit the revenue/expense predictions, current financial position and, other indicators during the annual budget approval process, adjusting the rates as needed.

City of Dunnellon Rate Study

Recommendations

3. Recommendation - Seasonal customers should pay base rate whether service is active or not.

4. Recommendation – the utility should review its financial position annually in order to assess the actual level of future rate adjustments that may be necessary.

Florida Rural Water Association



2970 Wellington Circle, Tallahassee, Florida 32309

Member: **City of Dunnellon**
 Contact: **Jan Smith**
 Address: **20750 River Drive**
Dunnellon Florida 34431

Date: **30-Aug-16**
 Connections: **3,439**
 Population: **6,652**
 PWS:
 Data from FY: **Budget fiscal 2016-2017**

Cells highlighted yellow are formulas

Water Pumped (gallons / year)	279,606,060 gal
Water Sold (gallons / year)	148,887,140 gal
Water Loss (gallons / year)	130,718,920 gal
Percent Water Loss	<i>A Water Audit is Recommended</i> 46.8%

ANNUAL WATER REVENUES

34331	WATER UTILITY INCOME	\$	1,269,474.00
34333	NSF/CONNECT FEES	\$	17,245.00
34334	SERVICE CHARGE	\$	650.00
34336	PENALTY REVENUE	\$	7,839.00
34337	USER FEES TAP CHARGE	\$	2,742.00
34337	JF USER/TAP CHARGES	\$	-
34338	CONNECT FEES (removed going to capitol)	\$	-
34356	WATER DEPARTMENT INSPECTION	\$	110.00
36155	INT-CIA	\$	1,735.00
		\$	-
		\$	-
Total Annual Income		\$	1,299,795.00

ANNUAL WATER EXPENSES

10110	EXECUTIVE SALARIES	\$	29,500.00
10120	REGULAR SALARIES	\$	158,656.00
10121	LONGEVITY BONUS	\$	1,013.00
10122	SICK TIME	\$	-
10124	DUTY PAGERS PER-DIEM	\$	1,025.00
10126	VACATION TIME	\$	-
10135	SAFETY INCENTIVE PAY	\$	-
10140	OVERTIME	\$	24,000.00
10210	FICA	\$	13,217.00
10212	MEDICARE	\$	3,092.00
10220	FRS RETIREMENT	\$	2,038.00
10221	FL. LEAGUE RETIREMENT	\$	14,060.00
10230	LIFE & HEALTH	\$	37,134.00
10240	WORKER'S COMPENSATION	\$	5,060.00
10250	UNEMPLOYMENT COMPENSATION	\$	2,500.00
30310	PROFFESIONAL SVCS	\$	1,000.00
30310	G1436 PROFFESIONAL SVCS	\$	-
30320	ACCOUNTING AND AUDITING	\$	11,333.00
30340	CONTRACTUAL SERVICES	\$	20,494.00
30342	LEGAL SERVICES	\$	5,000.00
30400	TRAVEL, LODGING, MILEAGE	\$	100.00
30410	TELEPHONE, LANDLINES	\$	2,271.00
30412	LONG DISTANCE, CELL, NET	\$	1,544.00
30420	POSTAGE	\$	8,000.00
30430	ELECTRICITY	\$	35,857.00
30440	RENTALS/LEASES	\$	505.00
30450	INSURANCE (GENERAL)	\$	12,117.00
30460	REP/MNT BLDG & EQPT	\$	61,615.00
30470	PRINTING & BINDING	\$	6,566.00
30490	OTHER CHARGES	\$	26,260.00
30491	ADVERTISEMENTS	\$	300.00
30492	BAD DEBT EXPENSE	\$	1,900.00
30493	PENALTY BAD DEBT	\$	500.00
30510	OFFICE SUPPLIES	\$	500.00
30520	OPERATING SUPPLIES	\$	48,061.00
30523	JANITORIAL SUPPLIES	\$	300.00
30530	ROAD MAT & SUPPLIES	\$	3,500.00
30540	EDUC, REG CLASSES, MEMBS	\$	1,570.00
30560	REPAIR/MAINTENACE VEHICLES	\$	16,500.00
30570	UNIFORMS	\$	1,641.00
30580	GAS AND OIL	\$	8,000.00
90901	CLERK ADMIN EXPENSE (Gf funding admin)	\$	-
90902	FINANCE ADMIN EXPENSE	\$	-
90904	EXECUTIVE ADMIN EXPENSE	\$	-
90905	IT ADMIN EXPENSE	\$	-
90906?	Transfer to emergency rese	\$	-
Total Annual Expenses		\$	537,229.00

TOTAL WATER OPERATING EXPENSES

Total Operating Expenses		\$	537,229.00
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DEBT PAYMENT / SYSTEM RESERVES

70710	2013 DEBT SERVICE PRINCIPLE	\$	123,717.00
70710	L2011 DEBT SERVICE PRINCIPLE	\$	246,400.00
70720	2013 DEBT SERVICE INTEREST	\$	91,206.00
70720	L2011 DEBT SERVICE INTEREST	\$	59,778.00
Bond proceeds reserve (capitol)		\$	35,553.00
Capiitol Replacement Reserve		\$	35,553.00
Emergency Reserve		\$	144,362.00
		\$	-
Depreciation		\$	-
Total Debt Payment and System Funded Reserves		\$	736,569.00
TOTAL ANNUAL EXPENSES		\$	1,273,798.00

58136

WATER SYSTEM SUMMARY

Number of WATER Connections	Avg Usage/Month	ERCs			
No. Residential Connections	4,750 gpmo	3,355		3,443	
No. Multi-Family Connections	4,250 gpmo	0		0	
No. Commercial Connections (small)	3,500 gpmo	376		376	
No. Commercial Connections (large)	19,785 gpmo	33.32		8	
No. Institutional Connections (schools, hospitals, etc.)	42,791 gpmo	0.00		0	
Other Connections (describe)		0		0	
Total ERCs		3,764	Total Conn	3,739	ERC Calcs
Average Usage per User per Month (1000 gallons)				3.604	3.296
Total Cost per 1000 gallons pumped				\$1.92	\$1.92
Total Cost per 1000 gallons SOLD				\$3.61	\$3.61
Average Monthly Cost (per customer)				\$30.83	\$28.20
Average income generated in one year per customer				\$369.97	\$338.39
Income Generated			\$	1,299,795.00	\$1,299,795.00
Income Needed (Expense and Replacement)			\$	1,273,798.00	\$1,273,798.00

Minimum Bill Calculation

Debt payment per customer per month (principal + interest / total number of customers / 12) + cost per thousand included in the minimum.		2.04%
Debt Expenses / Repair and Replacement / Reserves	\$ 736,569.00	\$ 736,569.00
Total Number of Customers	3443	3,764
Minimum bill per customer before any water use	\$ 17.83	\$ 16.31

\$ 25,997.00

Projected Income:

Minimum usage cost + (cost per 1000 gallons x average usage per user per month) 12 months x number of users.		
Minimum usage cost per customer per month	\$ 17.19	\$ 16.31
Number of Users	3,443	3,764
Average Usage per User per Month (1000 gallons)	3.604	3.296
Total Projected Income	\$1,247,451.04	\$1,273,798.00

(Projected income from rate increase + miscellaneous + interest income + refunds + other incomes)

Income Lost to Unaccounted for Water

\$251,160.49



Florida Rural Water Association

2970 Wellington Circle, Tallahassee, Florida 32309

Member: **City of Dunnellon**

Contact: **Jan Smith**

Address: **20750 River Drive**

Dunnellon Florida 34431

Date: **30-Aug-16**

Connections: **2,496**

Population: **6,652**

GMS:

Data from FY: **Budget Fiscal 2016-2017**

Cells highlighted yellow are formulas

Wastewater Billed in Gallons (gallons / year)		99,315,615
Estimated Inflow and Infiltration (I&I) into collection system	<i>An I&I Study is Recommended</i>	
I&I Treated & Disposed (gallons / year)		0 gal

ANNUAL WASTEWATER REVENUES

34331	WASTEWATER UTILITY INCOME	\$	1,556,316.00
34333	NSF/CONNECT FEES	\$	-
34344	REIMBURSE RV WWTP DECO	\$	6,515.00
34336	PENALTY REVENUE	\$	-
34337	USER FEES TAP CHARGE	\$	5,590.00
34338	CONNECT FEES (removed to capitol)	\$	-
34355	SEWER PENALTY INCOME	\$	21,610.00
36155	INT-CIA	\$	1,142.00
36000	MISC	\$	169.00
Total Annual Income		\$	1,591,342.00
Capacity Fees (needs to go to Restricted Funds for future use)		\$	-

ANNUAL WASTEWATER EXPENSES

10110	EXECUTIVE SALARIES	\$	29,500.00
10120	REGULAR SALARIES	\$	202,286.00
10121	LONGEVITY BONUS	\$	1,462.00
10122	SICK TIME	\$	-
10124	DUTY PAGERS PER-DIEM	\$	1,025.00
10126	VACATION TIME	\$	-
10135	SAFETY INCENTIVE PAY	\$	-
10140	OVERTIME	\$	28,000.00
10210	FICA	\$	16,198.00
10212	MEDICARE	\$	3,789.00
10220	FRS RETIREMENT	\$	2,038.00
10221	FL. LEAGUE RETIREMENT	\$	18,481.00
10230	LIFE & HEALTH	\$	42,610.00
10240	WORKER'S COMPENSATION	\$	6,407.00
10250	UNEMPLOYMENT COMPENSATION	\$	2,500.00
30310	PROFFESIONAL SVCS	\$	11,500.00
3013	PROFFESIONAL SVCS LEGAL	\$	3,000.00
30320	ACCOUNTING AND AUDITING	\$	11,333.00
30340	CONTRACTUAL SERVICES	\$	51,656.00
30342	LEGAL SERVICES	\$	-
30400	TRAVEL, LODGING, MILEAGE	\$	100.00
30410	TELEPHONE, LANDLINES	\$	1,219.00
30412	LONG DISTANCE, CELL, NET	\$	595.00
30420	POSTAGE	\$	8,000.00
30430	ELECTRICITY	\$	115,560.00
30440	RENTALS/LEASES	\$	1,505.00
30450	INSURANCE (GENERAL)	\$	17,997.00
30460	REP/MNT BLDG & EQPT	\$	102,459.00
30470	PRINTING & BINDING	\$	10,200.00
30490	OTHER CHARGES	\$	21,660.00
30491	ADVERTISEMENTS	\$	300.00
30492	BAD DEBT EXPENSE	\$	1,500.00
30493	PENALTY BAD DEBT	\$	-
30510	OFFICE SUPPLIES	\$	1,100.00
30520	OPERATING SUPPLIES	\$	37,240.00
30523	JANITORIAL SUPPLIES	\$	400.00
30530	ROAD MAT & SUPPLIES	\$	2,800.00
30540	EDUC, REG CLASSES, MEMBS	\$	1,845.00
30560	REPAIR/MAINTENACE VEHICLES	\$	13,600.00
30570	UNIFORMS	\$	574.00
30580	GAS AND OIL	\$	7,758.00
30590	DUMP FEES - SLUDGE	\$	103,516.00
30591	DUMP - FEES OTHERWISE	\$	1,000.00
60620	CAPITOL BUILDINGS	\$	-
60630	CAP IMPROVEMENT NOT BUILDINGS	\$	-
60630	G1436 IMPROV - NOT BLDG	\$	-
60640	CAPITOL MACH & EQUIP	\$	-
90901	CLERK ADMIN EXPENSE (GF funding)	\$	-
90902	FINANCE ADMIN EXPENSE	\$	-
90904	EXECUTIVE ADMIN EXPENSE	\$	-
90905	IT ADMIN EXPENSE	\$	-
		\$	-
	Total Annual Expenses	\$	528,417.00

DEBT PAYMENT / SYSTEM RESERVES

70710	2010A DEBT SERVICE PRINCIPLE	\$ 23,042.00	\$ 21,554.90
70710	2013 DEBT SERVICE PRINCIPLE	\$ 163,997.00	\$ 153,418.00
70710	2016 DEBT SERVICE PRINCIPLE	\$ 193,600.00	\$ 116,600.00
70720	2010A DEBT SERVICE INTEREST	\$ 14,560.00	\$ 15,745.36
70720	2013 DEBT SERVICE INTEREST	\$ 120,901.00	\$ 131,264.02
70720	2016 DEBT SERVICE INTEREST	\$ 46,968.00	\$ 67,189.32
Bond proceeds reserve (capitol)		\$ 35,553.00	
Capiitol Replacement Reserve		\$ 35,553.00	
Emergency Reserve		\$ 93,064.00	
		\$ -	
Depreciation		\$ -	\$ 817,889.00
Total Debt Payment and System Funded Reserves		\$ 727,238.00	
TOTAL ANNUAL EXPENSES		\$ 1,255,655.00	

WASTEWATER SYSTEM SUMMARY

Number of Wastewater Connections	Avg Usage/Month	ERCs	2,496	
No. Residential Connections	4,750 gpmo	2,250	2,250	
No. Multi-Family Connections	4,250 gpmo	0	0	
No. Commercial Connections (small)	3,500 gpmo	236	236	
No. Commercial Connections (large)	19,785 gpmo	41.65	10	
No. Institutional Connections (schools, hospitals, etc.)	42,791 gpmo	0.00	0	
Other Connections (describe)	outside city	0	0	
	Total ERCs	2,528	Total Conn	2,496
Average Usage per User per Month (1000 gallons)		3.316		3.274
Total Cost per 1000 gallons TREATED		\$5.32		\$5.32
Average Monthly Cost (per customer)		\$41.92		\$41.40
Average income generated in one year per customer		\$503.07		\$496.77
				ERC Calcs
	Income Generated	\$ 1,591,342.00		\$ 1,591,342.00
	Income Needed (Expense and Replacement)	\$ 1,255,655.00		\$ 1,255,655.00

Minimum Bill Calculation

Debt payment per customer per month (principal + interest / total number of customers / 12) + cost per thousand included in the minimum.		26.73%
Debt Expenses / Repair and Replacement / Reserves	\$ 727,238.00	\$ 727,238.00
Total Number of Customers	2496	2,528
Minimum bill per customer before any Wastewater use	\$ 24.28	\$ 23.98

\$ 335,687.00

City of Dunnellon Rate Study

- Questions?





City of Dunnellon
Emergency Services
Communications
system



Overview of Issue with Fire Rescue and Police Radios

- Marion County recently and unexpectedly informed the City they are changing their radio system
- City will be required to incur expense
- Determine Funding Source



Reason for Change

- Operational Continuity
 - Marion County services are changing over to the new system APX series radios
 - To have the ability to communicate we will need to upgrade or replace our portion of the current system



Reason for Change

- Changes in Technology
- Security and Privacy of communications
 - Encrypted communications
 - Ensures that emergency communications is not monitored by non-essential persons
 - This also protects the privacy of the public receiving service



Expiration of current system

- Marion Counties' current operating system is nearing its end of service date
- XTS/XTL series portable and mobile radios last order date was October of 2013
- Last field service support to conclude on or around December 2018



Available Options

Option 1: Upgrade the Existing XTS/XTL Series Radios to the Required Encryption Level

- **Option 1: Pros**
- This option would provide the existing radios the capability to communicate using encrypted AES/ADP Multikey communications. The Departments would be compatible with these encryption algorithms.
- The Encryption upgrade is the same encryption plan that the Marion County Departments plan to incorporate.
- The Encryption upgrade would protect the departments from radio scanners that can be used to pick up sensitive communications.
- This plan would cost the City of Dunnellon a one-time price of **\$ 53,807.11**



Available Options

- **Option 1: Cons**

- This option would require the City of Dunnellon to make a significant investment (\$53,807.11) into radios that will fall out of 5 Year Support Window on December 31, 2018.
- This option would not provide the City Departments with any of the software and hardware features found in the APX radios that can be used to increase personnel safety/awareness.



Available Options

Option 2: Purchase APX Series Radios to Replace Existing XTS/XTL Radios

- **Option 2: Pros**
- The radios proposed (APX6000XE/APX6500) are the same models the Marion County Departments plan to purchase. The new APX6000XE/APX6500 Radios will ship out of the box with AES/ADP Multikey encryption operations enabled.
- This option will be for a turnkey package including all Radios and Services to prepare for implementation.
- Radios will be under a 3 year manufacturer warranty.
- The APX6000XE Portable Radio includes several features that can be used to assist with officer safety.



Available Options

- This option includes a lease to own purchase plan provided by Motorola Solutions Financing. Motorola is extending the offer provided to Marion County. The lease option is at 0% interest over a 4 year term with 3 annual payments. The first payment is deferred 1 year from sign date (1st payment due November 1 2017). The 2 payments will take place in November of 2018 and November of 2019.
- The total annual City of Dunnellon payment will be **\$60,826.78** (total lease purchase price of **\$182,480.33**)



Available Options

Option 2: Cons

- Immediate financial impact
- Amendment to 5-year Capital Plan required



Fire Department Portion

- Option 1: Upgrade Old Radios
 - \$14,090.40
 - Only good for 2-3 years
- Option 2: Replace Radios
 - \$89,668.99
 - Trade in credit of old radio units (\$15,040.00)
 - Total \$74,628.99
 - Combined Police and Fire Rescue additional credit (\$1,642.00)
 - Final total \$72,986.97
 - 3 annual payments of \$24,329.06



Police Department Portion

- Option 1: Upgrade Old Radios
 - \$39,716.71
 - Only good for 2-3 years
- Option 2: Replace Radios
 - \$140,668.34
 - Trade in credit of old radio units (**\$27,632.00**)
 - Total \$113,036.34
 - Combined Police and Fire Rescue additional credit (**\$3,542.80**)
 - Final total \$109,493.54
 - 3 annual payments of \$36,497.72



Recap

- Total for Upgrading \$53,807.11
 - No financing and no trade-in at the end of life
 - End of life in 2-3 years
 - Unit price will be higher to replace at the end of life
- Total for Replacement \$182,480.33
 - After a trade-in credit of \$42,672.00 and other discounts
 - 1 year deferred 3 annual payments of \$60,826.78
 - We are given discounts and trade-in only if we complete the replacement at the same time as Marion Co. and both departments together



FUNDING / PAYMENTS

- Discussion
 - 1 cent sales tax
 - Fire Assessment
 - Grants



Meeting Date: Nov 9, 2016

From (Dept.): City Clerk

Signature: _____
Department Director

Approved for
Agenda: _____
City Manager

Official Use Only

Reviewed by
City Attorney: _____

Council Action: _____

Date: _____

Subject: Public Safety Survey Results

Request for Approval:

Summary Explanation and Background:
Attached are the survey results received from the taxpayers within city limits regarding fire and police public safety services. Staff has provided daily results and grand totals as received from 370 taxpayers. Additionally staff has included all comments and letters received.

Fiscal Information:

_____ - _____ - _____ - _____ - _____
Project No.
(if applicable)

Amount: _____

Procurement Method: _____

Purchase Requisition Number: _____

Recommended Action: _____

Initiated by: DB / LB

QUESTIONS	5-Oct		6-Oct		10-Oct		11-Oct		12-Oct		13-Oct		14-Oct		17-Oct		18-Oct		19-Oct		20-Oct		21-Oct		24-Oct		25-Oct		26-Oct		27-Oct		28-Oct		31-Oct		1-Nov		2-Nov		3-Nov		TOTALS		# question answered	% YES	% NO
	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO							
1. Dunnellon should increase ad valorem millage as necessary to support all existing services currently being provided.	3	10	7	35	15	29	3	9	14	5	15	12	18	3	7	3	20	9	9	8	9	7	18	4	7	1	3	4	2	6	29	14	18	1	10	2	2	116	255	371	31%	69%					
2. The City should institute a city non-ad valorem fire assessment fee and fund the operation of city fire/rescue services.	7	6	1	6	1	34	20	23	3	11	11	2	16	13	17	4	6	8	15	9	9	11	6	12	13	5	6	1	3	3	2	26	9	22	10	1	10	2	2	169	197	366	46%	54%			
3. The City should elect to use the services of Marion county fire/rescue.	7	6	7	34	1	25	20	3	13	10	15	5	16	14	6	4	12	11	10	8	5	12	15	10	5	6	2	2	2	4	24	11	12	22	1	10	2	2	215	159	374	57%	43%				
4. The City should fund a city police department through ad valorem taxes.	7	6	1	6	34	1	22	22	1	2	9	13	6	14	11	19	3	7	8	15	8	10	10	7	8	17	5	6	4	5	2	8	27	23	10	1	10	2	2	182	190	372	49%	51%			
5. The City should elect to use the services of Marion County Sheriffs' Department for law enforcement coverage.	7	6	7	1	34	23	22	2	1	13	10	14	6	19	11	7	3	12	11	10	8	6	11	18	7	5	6	3	1	2	4	25	10	9	24	1	10	2	2	185	188	373	50%	50%			
per day total	13		7		35		43		3		26		20		30		10		23		18		17		25		11		4		7		35		34		1		10		4				376		

individual comments added to survey

MESSAGES TO COUNCIL

I am 75 years old on SS and for the past 8 yrs. have not received an increase in my SS. So tell me where am I going to get the extra money to pay higher taxes

Q#1 If say yes, then negate question #2. See question #2 as operation of fire/rescue would be separate

Retired - My fixed income has it down 17% past 6-8 yrs. Tighter the belt, reduce all dept. 10%. 1 garbage p/u service wk.

The person responsible should be prosecuted. You people did this you allowed the theft of the city.

#1. No ad valorem tax raised. Cut cost.

#2. No tax raised

#4. Fund Police through existing ad valorem taxes

Dunnellon Heights need the roads paved. Don't raise my taxes until things get done. Was supposed to be done in 2005.

Reason for my vote. My family has lived here on Bridges Road since the early 1800's. In the 1960's we were incorporated into the city and the taxes started. In those 50 yrs. of taxation we have received no services. You won't recognize my road as even existing, but spraying your grey water in out faces seems to be ok. Now you want to increase my taxes to pay for your bad decisions? I think not.

Response time is key

No more taxes!! Go bankrupt and let the state take over!

Dissolve the city. Become a Marion township

Previous council member drove this city into this debt. Can the city declare bankruptcy? If so, let's start over a new.

#3. yes, but are they qualified to do medical response.

#1 cut cost

#4. Don't need new facility

individual comments added to survey

I recognized & appreciate the time & effort made to develop this solicitation, unfortunately w/o an analysis of capital requirements that are obviously (?) and essential my option would be uninformed, on an emotional basis, most would like to "keep" police and fire. Thank you.

Let sheriff's dept. handle city. Get ride of all police cars, boats, suv's, golf carts etc. What are you waiting for

#1. Use the Marion County Fire/rescue

#2 Keep our police dept.

Sorry unable to help you "old age"

Rural and all over county

#4. We don't need the sheriff is ok

We have a new fire dept. just up on 484

The city should not have a city manager and the city should downsize

The city should sell excess equipment

The City should pay for the current services without raising taxes

#1 You said the budget was balance?? Contradiction?

#2 You said you were going to a volunteer fire department

Note: Response time of 3 minutes vs. 14.86 minutes saves lives

parking meters should be installed on Penn Ave

#3. and eliminate Dunnellon Fire & police as duplicate services & overhead. Paid by taxes & use county services to reduce taxes like Inverness has!

Poorly written. You should have included a sample tax bill

Will the Marion County Sheriff ok the former Dunnellon Police Station as a satellite location?

#3. Who are the other users? Are you going to tax renter? Churches?

#4. If we switch to Marion County will the Fire House on Penn be empty or a satellite?

#4. 1st things 1st. ROAD REPAIR!

individual comments added to survey

We pay much in taxes. Dunnellon needs ROAD REPAIR we are not yet a Police State.
My taxes are too high!

Exemptions or exceptions should be made for free holders who own vacant property in the city
Don't raise taxes

Please keep city managers position

Thank you!

#1. Absolutely

#5. We need to keep our fire & police depts.

Stop misusing funds

The City of Dunnellon is run by idiots. We need to get our money from Florida Cable now!!

A millage increase is unfair. Taxes are too high. Services are borderline at best. Water and Sewer rates are too high. It makes it very difficult to sell a home in the city. I am paying a third party to spray for mosquitos . (Halloween)

#1. To few of the residents pay the real-estate tax.

#2. Maybe fewer officers - older cars - streamlined supervision.

The city should evaluate turning all water and sewer assets over to the county. The services are too expensive!!

#1. Absolutely not!! The city should attract new revenues through economic development.

#2. Only if all residents and business owners are charged

#3. The city should operate within it's current funding

#4. I like the fine officers of Dunnellon but they should have to operate within the budget

#5. If the city cannot fund a police department with current funds, There should be consideration to moving to county services.

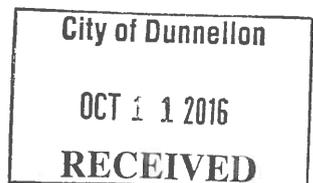
individual comments added to survey

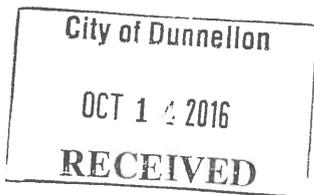
#1. Since so many homes do not pay taxes, each home should be assessed.

My Reasons For my Vote!

My family has lived here on Bridges Road since the early 1800's. In the 1960's we were INCORPORATED INTO THE CITY AND THE TAXES STARTED. IN THOSE 50 YEARS OF TAXATION WE HAVE RECEIVED NO SERVICES. YOU WON'T RECOGNIZE MY ROAD AS EVEN EXISTING, BUT SPRAYING YOUR GREY WATER IN OUR FACES SEEMS TO BE O.K. NOW YOU WANT TO INCREASE MY TAXES TO PAY FOR YOUR BAD DECISIONS? I THINK NOT....

R. E. Murray





Dunnellon City Council

Gentlemen,

Trying to get extra tax money out of the people of Dunnellon will be a formidable task. The majority of residents in Dunnellon are either on a fixed income or are low wage earners and not exactly eager to crack open their wallets for the city. You must also consider that in the city of Dunnellon the folks are either seniors living alone, snowbirds or renters with little interest in the operations of the city.

You must also consider that Dunnellon has lost many private homes to demolition and others to businesses that last less than the time it takes the ink to dry on their leases. If Dunnellon is looking to raise the revenue of the city then it should release the vacant property its holding by asking the landowners with liens to sign over the land to the city then selling this land, free of liens, to potential homebuyers or go into the city owned housing business.

In many large cities city-owned housing is very lucrative, the income is steady and always on time and there are always plenty of people looking for a place to rent. Imagine a small house going for \$800.00 a month payable to the City of Dunnellon, with 10 homes that's \$8,000.00 a month straight into the pockets of Dunnellon with 100 homes that's \$80,000.00 a month of income!. Now throw in first month, last month and security (damage) deposit and the money is rolling in.

We the Rosiers pay all the taxes possible to Dunnellon because our house in Dunnellon is not homesteaded since we already own a house in Marion County, so asking us to pay more is not logical after the city of Dunnellon blew through the money it's been given.

I'm sorry that we can't be more helpful at this time but we too are on a limited income and every penny counts. It's not to say that we don't appreciate the police, fire and other city services but we the citizens gave you our money through the taxing system and you treated us as a cash machine, the machine is empty.

Asking us for more money isn't going to solve the problem until the city learns to handle it's income properly. My vote is to turn over the city's services to Marion County until Dunnellon has accumulated enough revenue to get them back.

Sincerely
the Rosiers

A handwritten signature in black ink, appearing to read "A. Rosier".

City of Dunnellon

OCT 14 2016

RECEIVED
To those concerned

These really aren't complicated issues. Because Marion County is already providing these services to our area Dunnellon Fire and Police are luxuries not necessities. Due to our city official's inability to manage our funds we have 20 million dollar debt that needs to be paid.

I am currently paying 60% more in taxes than other Marion county residents to live in Dunnellon. Not only more than Marion county but higher than any other place that I have previously lived. Places that provided A LOT more and higher quality services. There's nothing in Dunnellon that warrants this extra expense. I have only been living her for a little over a year and I am very disappointed in my decision to move inside the city limits. I am already considering leaving to get relief from outrageously higher taxes. You have to understand the consequences of new or prospective residents feeling this way. A smaller and smaller tax base will occur. The bigger problem is the lack of growth. Without beautifying downtown, bringing in new businesses, new residents and making Dunnellon a place where people want to be, we will be cutting more and more services and attracting fewer people. Attracting fewer people may sound good to some but it will lead to a depressed, dying and expensive community. You will not tax your way out of this. There will be an exodus.

The reality is that the Fire Dept. and I suspect the Police Dept. as well, is already understaffed, undertrained and underfunded to handle any really emergencies. They already depend on Marion County to handle larger incidents. Yes BLS response times will be a little longer. We will be like the rest of Marion County and probably like the most of the state and most of the country for that matter. We could get the same level of care with volunteers. Or even the use of a small amount of Safety Officer's (trained in both law enforcement and BLS). There are more creative ways to supply similar type services. There only needs to be leadership at the top to make these decisions and move forward. I understand that people at the top cringe at the thought of make these types of decisions. But doing the right thing even if it's not popular is what makes true leaders.

I have the utmost respect for the people who perform these services. They do the best they can with resources that they get. These are the people in our community's that really care about others. These are the true civil servants. It's really sad that it has come to this point. Poor decisions were made in the past. We have to make better decisions moving forward. Find other employment (maybe even better than Dunnellon) for the fine men and women who are currently serving in these positons. Stop the financial bleeding. Find more creative ways to supply the same or similar services and bring this city back to financial health.

Thank you

Concerned resident

6.

City of Dunnellon

OCT 17 2016

RECEIVED

10-15-16

TO: Mayor/Council or WHOEVER:

FIRST I WANT TO COMMENT YOU FOR SENDING THIS LETTER OUT TO THE COMMUNITY TO LET THEM GIVE AN INPUT. IM JUST A STRANGER WHO OWNS A LOT OUT IN THE WOODS SOMEWHERE, THERE NO HOUSE, BARN, SEWER, WATER, SHEDS ITS JUST AN INVESTMENT. NONE OF THESE QUESTIONS MEANS ANYTHING TO ME, BUT I WOULD LIKE TO SPEAK & GIVE MY OPINION, I KNOW YOU ARE A SMALL COMMUNITY I ACTUALLY WAS LOOKING TO BUY A WINTER HOME IN DUNNELON BUT FOUND ONE IN INVERNESS 1ST THAT WAS IN MY PRICE RANGE SO THATS WHERE I LANDED. I CONSIDERED (IN MY MIND) DUNNELON AS A QUIET SMALL TOWN WITHOUT BIG CITY PROBLEMS BUT I HAVE BEEN AROUND FOR 74 YRS & NOTHING STAYS THE SAME, EVERYTHING GET BIGGER WHICH USUALLY BRING MORE PROBLEMS. I KNOW YOU ARE LOOKING AT THE COST FACTORS. IS USING MARION CO FIRE & POLICE CHEAPER THAN HAVING YOUR OWN? IF SO IS THERE A BIG SAVINGS? IS THE SAVING BIG ENOUGH TO HAVE A RESPONSE TIME 3 OR 4 TIMES LONGER THAN HAVING YOUR OWN? IT APPEARS (WHAT I GET FROM YOUR LETTER) THAT HAVING YOUR OWN WOULD BE A BIG TAX INCREASE ON THE COMMUNITY, AT THIS TIME, BUT AS YOU GROW IN POPULATION HAVING YOUR OWNS WOULD SEEM TO BE THE WAY TO GO. BUT IM JUST A STRANGER THROWING IN MY TWO CENTS WORTH. I DONT HAVE A DOG IN

THIS FIGHT, BUT I WISH YOU LADIES & GENTS GOOD
LUCK GETTING THIS DONE. YOUR CHANCES OF
PLEASING EVERYONE IS SUM TO NONE.

SINCERELY
JOHN MATTINGLY
CORPORATION IN 47112
(502) 494-9832

City of Dunnellon

OCT 17 2016

RECEIVED

LAW OFFICES

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LOCAL GOVERNMENTAL LAW
[°]ADMITTED TO OKLAHOMA BAR

October 13, 2016

City of Dunnellon
Attention: Dawn Bowne
Dunnellon City Hall
20750 River Drive
Dunnellon, FL 34431

RE: Questionnaire

Dear Dawn:

Enclosed you will find my response to your questionnaire that was mailed to our law firm. What concerns me with the City of Dunnellon is how could the City legally incur \$20,000,000 in debt paid from taxes. This could only legally be done if the voters of the City approved a general obligation bond issue assuming the taxes referred to are ad valorem taxes.

The reason for my responses, particularly as to law enforcement is that no City the size of Dunnellon should have its own police department. In Citrus County both the City of Inverness and the City of Crystal River have elected to contract with the Citrus County Sheriff's Office for additional police protection. The City would have the option of forgoing that expense and just relying on the Sheriff's road patrol to fund the cost of police protection within the City. The Sheriff of Marion County constitutionally is the chief law enforcement officer of Marion County and has a responsibility to protect all citizens within the county whether a municipality has a police department or not.

Although I answered yes to the City's use of services for Marion County Fire Rescue, I would caution that sometimes fire departments have a tendency to outgrow their budgets and become a burden on the average tax payer. Recently the City of Inverness created its own fire department due to

the fact that the county increased the budget of its fire department for which the City was a part from a little over \$3,000,000 to over \$10,000,000.

Also in doing this analysis, the City Council needs to understand that any MSTU operated by the County which it joins the millage rate will be deducted from the 10 mill cap allowed by the City under the constitution. Therefore if the Marion County Sheriff wants you to pay through an MSTU 3.47 mills, the allowable millage rate for the City would be reduced to 6.53 mills.

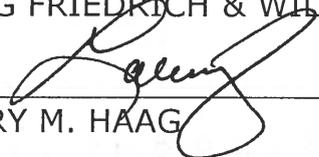
The impact on the City's \$10 mill cap should be considered in any decision made by the Council.

If you have further questions, please advise.

Cordially,

HAAG FRIEDRICH & WILLIAMS PA

BY:



LARRY M. HAAG

LMH/cr

Enclosure: Response to Questionnaire

Rick and Dominique Valentine

11750 Cherokee Circle
Dunnellon, FL 34431
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Cell Phone 352-445-1573
E-Mail LongShotArmsLLC@Gmail.com

City of Dunnellon

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City of Dunnellon

RE: Request for opinion

I have read your request for my opinion and the options I see are the end results of failed leadership and bad decisions of the past coming home to roost. None of the options presented are the solution. Only more taxes! I am 75 years old and have lived in Dunnellon for eleven years on a fixed income. Having owned small businesses all of my life I have seen the results of bad back room dealings. The terrible financial deals done over the last ten years (which most were done without residents input) have put this city into a situation that is NOT going to be corrected under the suggestions presented. Now you want us to give you advise?? That is laughable!!!

When a business (city) does not have the income to pay its debts and does not have the leadership to come up with sound economic policies going forward it is no longer a viable business and should consider "going out of business". The City is a small business and with no increase in revenue except for taxing the same residents over and over again. The crushing debt of this city will make it impossible to survive regardless of how much you increase the millage rate. I have had it with all of this and think it is time for the city to go to the state and declare bankruptcy and move to the next phase of survival. The taxpayers of this city have put out all they are going to put out!! I know this is not what you want to hear but you asked for it. Rip the band-aid off real quick, it will only hurt for a little while!!

That is my opinion,

Sincerely,



Rick Valentine

RIK VALENTINE 352.445.1573
11750 CHEROKEE
DUNNELLON 34431

DUNNELLON CITY COUNCIL IS REQUESTING YOUR OPINION

Background Information

The General Fund of the City of Dunnellon pays for all services provided to citizens except for water/sewer services. Revenues used to pay for all services come from tax payers, other fees and charges for services by the City.

For many years the City of Dunnellon has had a major shortage of revenues to adequately finance and support all the services currently being provided to our citizens. The City has had large operating losses for several years, and has drained capital reserves to cover those losses.

With no operating profit and the depletion of capital reserves, the City cannot provide adequate capital support for all the services being provided.

In addition to inadequate revenues being generated to cover the services being provided, the City has outstanding debt obligations of \$20 million dollars to be paid from tax revenues, which makes the problem of what to pay for, and when, even worse.

These systemic issues have brought about the need to consider major changes in how services are delivered to all citizens. The City Council is asking taxpayers to use their voice and please give your opinion as to how we deal with these financial problems by responding on the backside of this questionnaire. Please feel free to contact your City Council members at <http://www.dunnellon.org> if you have any questions.

Current options being considered:

1. The City has the ability to increase ad valorem millage rates from the current 7.5 mills to a maximum of 10 mills. Each increase of 1 mill equates to about \$145,000.00.

A 2.5 mill increase would equate to a tax increase up to 33% for current taxpayers.

2. The City's police department must be paid by ad valorem taxes and other city revenues. The City of Dunnellon could opt to use the Marion County Sheriff's Department for law enforcement coverage and eliminate the city police department. Citizens would pay the same countywide assessment for these services as other county residents.

The expected annual cost to fund the City's police department would be \$566,332 (includes estimated 5 year capital expenses excluding plans for a new facility) which requires 3.906 mills in ad valorem taxes to cover the cost. This equates to an annual average cost per taxpayer of \$386.

The Dunnellon Police Department average high priority response time is 3.30 minutes.

The expected annual cost for Marion County Sheriff coverage for a residential property would be an ad valorem MSTU charge of 3.47 mills times your assessed property value. A residential property assessed at \$72,120 would have an annual charge of \$250.26.

The Marion County Sheriff average high priority response time is 10.05 minutes.

3. The City of Dunnellon could institute a non-ad valorem fire assessment fee within the City, which would increase the number of payers to cover the operating costs of fire/rescue services. Currently, only taxpayers fund the entire cost.

The expected annual costs necessary to fund the Dunnellon fire/rescue effort would be \$435,271 (includes estimated 5 year capital expenses excluding plans for a new facility) which requires 3.002 mills in ad valorem taxes to cover the cost. This equates to an average annual cost per taxpayer of \$297, which could be lower if the City implemented a non-ad valorem fire assessment fee. Since the cost would be shared among approximately 126 additional users, it could be lowered to \$270 per resident.

The Dunnellon fire/rescue average response time is 3 minutes.

4. The City of Dunnellon could opt to use Marion County Fire/Rescue services and eliminate the fire/rescue services within the city. Dunnellon citizens would pay the same countywide non-ad valorem assessment fee and ad valorem MSTU for EMS as other county residents.

The expected annual cost of Marion County residential non-ad valorem fire assessment fee would be \$172.90 plus an ad valorem MSTU charge of .77 mills (times your assessed property value) for Emergency Medical Services (EMS). A residential property assessed at \$72,120 would have an EMS charge of \$55.53. The total annual charge for residential fire and EMS would be \$228.43.

The Marion County fire/rescue response time for first responder in Dunnellon is 14.86 minutes 90% of the time.

RESPONSE STATEMENTS:

PLEASE DROP OFF OR MAIL TO DUNNELON CITY HALL, 20750 RIVER DRIVE DUNNELON, FL 34431. IN ORDER FOR YOUR RESPONSE TO BE INCLUDED, WE MUST RECEIVE IT NO LATER THAN 10/31/2016.

1. Dunnellon should increase ad valorem millage as necessary to support all existing services currently being provided.

Yes___ No___

2. The City should institute a city non-ad valorem fire assessment fee and fund the operation of city fire/rescue services.

Yes___ No___

3. The City should elect to use the services of Marion County fire/rescue.

Yes___ No___

4. The City should fund a city police department through ad valorem taxes.

Yes___ No___

5. The City should elect to use the services of Marion County Sheriffs' Department for law enforcement coverage.

Yes___ No___

10/2016

** SEE ATTACHED*