

1 **MINUTES OF THE REGULAR MEETING** of the City Council of the City of Orange City,  
2 Florida, held on Tuesday, December 11, 2007 at 7:00 p.m. in Council Chambers, 201 N. Holly  
3 Avenue, Orange City.

4  
5 **CALL TO ORDER**

6  
7 The Meeting was called to order at 7:00 p.m. by Mayor Strickland and roll call was taken.  
8

9 **ROLL CALL**

10  
11 **PRESENT:** Mayor Harley Strickland; Vice Mayor Jeff Allebach; Council Members; Tom Laputka,  
12 Tom Abraham, Don Sherrill, Donald Sandford, Jim Mahoney; City Attorney William  
13 Reischmann; City Manager John McCue, City Clerk Deborah Renner  
14

15 The Invocation was given by Reverend Chaplain Joyce Smith, followed by the Pledge of Allegiance.  
16

17 **1. PRESENTATIONS:** None at this time.  
18

19 **2. CITIZENS COMMENTS:**

20  
21 Gerald Hill, 215 E. French Avenue, came forward to address Council. He expressed concerns over the  
22 placement of legal ad notifications. He said that he contacted the City Clerk and that she informed  
23 him that the ads are placed in the Daytona Beach News Journal, because it was the cheapest. Mr. Hill  
24 said that there are three newspapers serving Orange City. He suggested using the newspaper with the  
25 highest circulation in the city. He asked that a study be conducted to determine the newspaper with  
26 the highest circulation.  
27

28 Mr. McCue noted that Ms. Renner had conducted a study. He said that legal advertisements are costly  
29 and traditionally that the cost is balanced with using the venue with the highest circulation. Ms.  
30 Renner reported her findings. She said that after speaking with Mr. Hill, she contacted all three of the  
31 newspapers. She stated that the News Journal circulation in Orange City is 2,462 daily; the Orlando  
32 Sentential circulation is 1,552 daily; and that the Beacon has 275 subscribers. Mayor Strickland  
33 pointed out that these figures include everyone who lives in the 32763 zip code and includes county  
34 residents. He requested that Ms. Renner contact the newspapers for the physical street addresses that  
35 are within the Orange City jurisdiction.  
36

37 Al Blue, 447 North Oak, came forward and welcomed the newly elected Council Members. Mr. Blue  
38 read from a list of items for council's consideration (a copy of which is attached and becomes a  
39 permanent part of these minutes). Mayor Strickland asked that Mr. McCue review the list and  
40 prioritize items for discussion at future council meetings.  
41

42 Michael Salzano, 2898 Doe Run Trail, came forward and noted that a memorial had been constructed  
43 on Enterprise Road where a pedestrian had been struck by a car and killed. Mr. Salzano said that the  
44 memorial had been there for two months and he questioned how long it would remain. Mr. McCue  
45 responded that Enterprise is a county road and asked Mr. Salzano to contact Paul Johnson, Public  
46 Works Director. He said that Mr. Johnson would identify the county contact and advise them that Mr.

1 Salzano would be calling.

2  
3 Ed Senez, 720 North Volusia Avenue, came forward. He agreed with previous comments about legal  
4 notifications and stated that many citizens live in the city only during the winter months. He said that  
5 it is difficult for these people to receive the notifications timely. Mr. Senez felt that a mass mailing  
6 would be appropriate especially when making major changes.

7  
8 **3. CONSENT AGENDA:**

9  
10 Council Member Mahoney requested that Items “c” & “d” be removed from the Consent Agenda.

11  
12 Mayor Strickland passed the gavel to Vice Mayor Allebach and requested Item “b” be removed from  
13 the Consent Agenda.

14  
15 Mayor Strickland asked that Mr. McCue read the titles of the resolutions into the record.

- 16  
17 **a. RESOLUTION NO. 451-07:** A resolution of the City of Orange City, Florida,  
18 cancelling the regular City Council meeting scheduled for December 25, 2007;  
19 repealing all resolutions in conflict herewith and providing for an effective date.

20  
21 **Vice Mayor Allebach moved to adopt Resolution No. 451-07, seconded by**  
22 **Council Member Sherrill, and passed by unanimous 7/0 roll call vote of**  
23 **the Council**

- 24  
25 **b. RESOLUTION NO. 458-07:** A resolution of the City of Orange City, Florida, urging  
26 Florida citizens to consider the consequences of the proposed constitutional amendment  
27 concerning property taxes that will appear on the January 29, 2008 ballot; opposing  
28 said proposal for reasons stated herein; supporting a constitutional amendment  
29 prohibiting unfunded state mandates in order to reduce property taxes; supporting a  
30 prohibition on the State’s practice of requiring local school boards to increase property  
31 taxes; and urging the Florida Taxation and Budget Reform Commission to develop  
32 measures consistent with this resolution.

33  
34 **Council Member Sherrill moved to adopt Resolution No. 458-07, seconded**  
35 **by Vice Mayor Allebach.**

36  
37 Al Blue, 447 North Oak, came forward and stated, “It is my belief that citizens should vote their  
38 convictions and that the Council should not make recommendations to the citizens as to the way that  
39 they vote.”

40  
41 Council Member Sherrill explained that this resolution supports the Florida League of Cities (FLC)  
42 legislative package. He said that other cities in Florida are preparing resolutions such as this. Council  
43 Member Sherrill remarked that cities are concerned with how the State handled the recent tax reform.  
44 He said that it was “piece meal” and that most cities want to see true reform.

45  
46 Vice Mayor Allebach commented that everyone must vote their own conviction, however elected

1 officials have a responsibility to provide some direction to those who elected them. He spoke in favor  
2 of supporting the FLC's position on tax reform. He felt that if all the cities in Florida would support  
3 this cause, it would be more effective and result in "true reform, not just cutting somebody's budget."  
4

5 At the request of Council Member Sherrill, Mr. McCue described the mission of the FLC. He  
6 described the FLC as a "legislative lobbying organization" for local governments' needs. He advised  
7 that they are recognized by the State legislature. Mr. McCue discussed the recent movement by the  
8 legislature to impose unfunded mandates on cities while decreasing a municipalities' ad valorem taxes.  
9 He explained that the constitution mandates that the State provide full funding for school districts.  
10 The state created a lottery to help fund public education, however, over the years, the state has  
11 allocated a smaller share of the lottery earnings to education and instead shifted the responsibility for  
12 funding to property taxes. Mr. McCue discussed the inequities in the recent property tax reform  
13 initiatives, noting that the problems are in property valuation, not tax rates. Mr. McCue said that the  
14 State has "subverted the Florida Taxation and Budget Reform Commission (FT&RC)." He explained  
15 that this resolution supports the FLC's efforts to demand "true" property tax reform working with the  
16 Florida Taxation and Budget Reform Commission.  
17

18 At the request of Mayor Strickland, Mr. McCue read the resolution verbatim.  
19

20 Council Member Sherrill spoke about the recently adopted resolution supporting the FLC efforts on  
21 behalf of mobile home owners. He said that if all local governments and its citizens were to write  
22 their legislative representatives in support of the FLC legislative agenda it would send a message and  
23 force the State legislature to do the right thing.  
24

25 Council Member Mahoney said that he interpreted Mr. Blue's remarks as a statement of personal  
26 responsibility and that he agrees with that principal. He stated, "My concern is that if we don't define  
27 our position or state our case, others will do it for us."  
28

29 Council Member Abraham recalled a County Council meeting that he attended earlier this year at  
30 which members of the legislature were in attendance to hear comments and concerns from citizens and  
31 elected representatives in the County. He noted that no one from FLC or from Orange City was  
32 present. Council Member Abraham said that many hours have been spent discussing this issue and  
33 now a referendum is scheduled. Mr. Abraham expressed his opinion that the Florida League of Cities  
34 does not represent the citizens of Florida.  
35

36 Mayor Strickland advised that the FT&RC has refused to take a stand on the current actions being  
37 taken by the Legislature. He expressed his opinion that it is "bad legislation," and that citizens and  
38 elected representatives should "actively oppose this whole thing." Mayor Strickland stated that he  
39 supports the proposed resolution.  
40

41 **Motion passed by 6/1 roll call vote of the Council, with Council**  
42 **Member Abraham voting "no".**  
43

- 44 c. **RESOLUTION NO. 459-07:** A resolution of the City Council of the City of  
45 Orange City, Florida, authorizing the First Amendment to the Interlocal  
46 Agreement between the City of Orange City and the School Board of Volusia

1 County; repealing all resolutions in conflict herewith and providing for an  
2 effective date.

3  
4 **Council Member Mahoney moved to adopt Resolution No. 459-07,**  
5 **seconded by Vice Mayor Allebach.**  
6

7 Council Member Mahoney commented on the residential density changes and student generation rates  
8 discussed on page 11 of the interlocal agreement. He recalled that sometime ago, Council approved an  
9 apartment complex for individuals 55 and older. Council Member Mahoney asked what would be the  
10 procedure if younger families were allowed to move into that development. Chester Murray,  
11 Development Services Director came forward and said that the age requirement exempted the  
12 apartment complex from paying county impact fees. He said that the impact fees would be collected if  
13 younger families lived there. Council Member Mahoney commented about the portable units at the  
14 schools. Mr. McCue said that all school designs include portable units.  
15

16 Mayor Strickland remarked that this agreement adds another level of complexity to local government.  
17 He felt that this mandate would require dedicated staff. Mr. McCue agreed and said that the school  
18 board would be taking part in the development review process and will be charging the City for that  
19 service. Mr. McCue discussed the City's relationship with the Volusia County School Board. He  
20 noted that the school board can not seem to adequately plan services for the current student population  
21 and he questioned whether they would have the expertise necessary to take part in the development  
22 review process. Council Member Sherrill agreed, and stated that the school board knew before  
23 construction of the high school began that it was overcrowded. He stated, "That's the tragedy of the  
24 whole thing."  
25

26 Mr. McCue noted that the school board is contemplating locating another school in Orange City.  
27

28 Mr. Murray advised that Orange City is mandated to sign this agreement. He cautioned that if the city  
29 does not, the State of Florida would remove the city's rights to review and develop property and that  
30 the comprehensive plan would become unenforceable. Mr. Murray noted that the agreement would  
31 put a non-resident on the City's Planning Commission. He spoke against this mandated agreement  
32 and commented that there are no options. Mr. Murray commented the majority of the students  
33 attending schools in the city are coming from Deltona, DeLand and Debary. He felt that it is possible  
34 that at a future time, the city would not be able to develop new residential areas because its schools are  
35 consumed by non-residents. Mr. McCue concurred. He explained that the school board district does  
36 not coincide with the jurisdiction of a city. When a school is sited, it is that city's future development  
37 that is going to be impacted by the number of students being brought in from other cities. He stated,  
38 "It will be Orange City's development that would be stopped when the schools become overcrowded,  
39 not Deltona or Debary." Council Member Sherrill noted that the State and County are not willing to  
40 fund the access roads needed for the schools. He said staff recommends that Council adopt this  
41 resolution.  
42

43 In response to a question from Council Member Sandford, Mr. Murray said that he did not know the  
44 ramifications of a non-resident sitting on the Planning and Zoning Commission. He said that any time  
45 the City considers a development that will increase population density, the School Board has the right  
46 to intervene with the Department of Community Affairs. Mr. Murray said that it will create another

1 delay in the process. Mr. McCue felt that putting an ex-officio member on the Commission would not  
2 gain the school board more involvement in the city's planning process. He remarked that at present,  
3 the school board already has input without an agreement. He expressed his opinion that the agreement  
4 is a waste.

5  
6 Council Member Laputka asked if this agreement increased the number of members on the Planning  
7 and Zoning Commission. Mr. McCue responded that it increases the membership to eight. He  
8 reiterated that this is a non-voting position but that the appointee does have the right to interact and to  
9 try and persuade the vote.

10  
11 Mayor Strickland asked if it would be possible to comply with the mandate under protest. Mr.  
12 Reischmann advised that correspondence memorializing Council's comments could accompany the  
13 signed agreement.

14  
15 **Motion passed with a 6/1 roll call vote of the Council, with Mayor**  
16 **Strickland voting "no".**

- 17  
18 **d.** Awarding Bid for Architectural Services - 17-92 Landscaping Project, Phase II

19  
20 **Vice Mayor Allebach moved that the City Council authorize the City**  
21 **Manager to enter into an agreement with Miller Legg & Associates,**  
22 **Inc. for design services for phase II of the 17-92 landscape project,**  
23 **seconded by Council Member Sherrill.**

24  
25 Council Member Mahoney pointed out that there is a large disparity between the two vendors who  
26 responded to the Request For Proposal and he questioned the reason for this. Mr. McCue attributed  
27 the disparity to the fact that one is a large company and one is small and more in need of the work.  
28 Mr. McCue noted that Miller Legg is the engineering firm that prepared the landscape design in the  
29 parks master plan. Mr. McCue explained that the landscaping design for 17-92 is mandated by DOT  
30 and that an architect is needed to draw up the plan. He said that staff had some input on the plantings,  
31 however, DOT is in charge of the project details.

32  
33 In response to a question from Mayor Strickland, Mr. McCue said that the plants are being maintained  
34 by the contractor and they have been using a water truck. He advised that the plants chosen are  
35 drought-tolerant and that for the first year, the contractor is responsible to replace any dead trees. He  
36 said after that Orange City would maintain the plants on behalf of the county.

37  
38 **Motion passed by unanimous 7/0 voice vote of the Council.**

- 39  
40 **4. ORDINANCES - FIRST READING:** None at this time

- 41  
42 **A. ORDINANCE NO. 321:** An ordinance of the City of Orange City, Florida, amending  
43 ordinance 90-05-08, said ordinance being the Comprehensive Plan; and the Future  
44 Land Use Map of the Future Land Use Element of the Comprehensive Plan; changing  
45 the Future Land Use designation of the Kupiszewski property, consisting of a certain  
46 1.85 acre parcel generally located on the west side of Veterans Memorial Parkway, and

1 a certain 7.0 acre parcel located on the east side of Veterans Memorial Parkway, said  
2 property located approximately 1,000 feet north of its intersection with East Rhode  
3 Island Avenue; from its present Future Land Use designation of Volusia County (ULI)  
4 Urban Low Intensity to a Future Land Use designation of (MX) Mixed Use; containing  
5 a repealer provision, a severability clause and providing for an effective date.  
6

7 Mr. McCue read the title of Ordinance No. 321 into the record.  
8

9 **Vice Mayor Allebach moved to adopt Ordinance No. 321 on first**  
10 **reading, seconded by Council Member Laputka.**  
11

12 Jim Kerr, City Planner came forward and presented a power point presentation on the proposed land  
13 use change (a copy of which is attached and becomes a permanent part of these minutes). He advised  
14 that the purpose of this ordinance is to change the land use designation of the Kupiszewski property  
15 from Volusia County urban low intensity (ULI) to Orange City mixed used (MX). Referencing the  
16 presentation, he pointed out the location of the property. He said that it is 8.85 acres and is located on  
17 Veteran's Memorial Parkway approximately 1,000 feet north of East Rhode Island. He said the  
18 surrounding properties are classified as MX land use designation. Mr. Kerr said that staff and the  
19 Planning Commission recommend that Council approve the land use change from ULI to MX via this  
20 ordinance. Mr. Kerr announced that the Matthew Gable, representing the Kupiszewski family, was  
21 present.  
22

23 Council Member Laputka remarked that he was a member of the Planning Commission when this  
24 matter was discussed and recalled that the Commission voted unanimously to recommend City  
25 Council approval.  
26

27 Mayor Strickland spoke in favor of the proposed ordinance. He said that he has known the family for  
28 a long time and was "delighted" that they have decided to annex into the City.  
29

30 **Motion passed by unanimous 7/0 roll call vote of the Council.**  
31

- 32 **B. ORDINANCE NO. 322:** An ordinance of the City of Orange City, Florida, amending  
33 Section 8.3 of the City's Land Development Code, said section being the Official  
34 Zoning Map of the City of Orange City, Florida; said amendment changing the zoning  
35 classification of the Kupiszewski property, consisting of a certain 1.85 acre parcel  
36 generally located on the west side of Veterans Memorial Parkway and a certain 7.0 acre  
37 parcel located on the east side of Veterans Memorial Parkway, said property located  
38 approximately 1,000 feet north of its intersection with East Rhode Island Avenue; from  
39 its present zoning classification of (RR) Rural Residential to (MX-2) Mixed Use;  
40 containing a repealer provision, a severability clause and providing for an effective  
41 date.  
42

43 Mr. McCue read the title of Ordinance No. 322 into the record.  
44

45 **Vice Mayor Allebach moved to adopt Ordinance No. 322 on first**  
46 **reading, seconded by Council Member Mahoney.**

1 Mr. Kerr advised that the purpose of this ordinance is to change the zoning for the Kupiszewski  
2 property from rural residential (RR) to mixed used (MX-2). He said the proposed zoning change was  
3 reviewed and approved by the Planning Commission on November 7, 2007 and that staff recommends  
4 that the City Council approve the change.

5  
6 **Motion passed with a unanimous 7/0 roll call vote of the Council.**

- 7  
8 **C. ORDINANCE NO. 333:** An ordinance of the City of Orange City, Volusia County,  
9 Florida, approving and authorizing the lease between the City of Orange City and the  
10 Village Improvement Association of the premises located at 200 East Rose Avenue,  
11 Orange City, Florida; providing for purpose, description, term, and consideration;  
12 providing for conflicting provisions; providing for severability; providing an effective  
13 date.

14  
15 Mr. McCue read the title of Ordinance No. 333 into the record.

16  
17 **Vice Mayor Allebach moved to adopt Ordinance No. 333 on first**  
18 **reading, seconded by Council Member Sherrill.**

19  
20 Mr. McCue explained that this agenda item is a result of the Council's direction, some time ago, to  
21 bring forth a long-term lease arrangement for the VIA to use Albertus Cottage. He said that a  
22 commercial pro-forma lease template was used but that after meeting with the VIA and attempting to  
23 adapt the lease to specified terms he felt that it would more prudent to prepare a Memorandum Of  
24 Understanding (MOU). Mr. McCue advised Council to ignore the document submitted with the  
25 agenda packet and asked for direction on the terms to be included in the MOU. He stated, "It's a  
26 simple relationship that we are proposing." Council Member Laputka clarified that Exhibit A, the  
27 commercial lease agreement, is to be cancelled. Mr. McCue responded in the affirmative.

28  
29 Mr. Reischmann advised that a motion to amend the ordinance to reflect that the Exhibit A which is  
30 attached to the ordinance would be changing or that Council could delay action on the ordinance to  
31 allow the City Manager time to complete the MOU.

32  
33 Council Member Mahoney asked about potential risks if direction were given to complete the MOU  
34 tonight. He implied that the next time the ordinance would come before the council would be the  
35 second reading and that amendments cannot be made during a second reading. Mr. Reischmann  
36 agreed. He clarified the two options available to Council as follows: option #1 - Council would take  
37 no action this evening, but would simply continue any consideration of Exhibit A until a new exhibit is  
38 submitted. Option #2 - require the City Manger to continue as directed by the prior Council to  
39 negotiate a lease agreement which would be satisfactory and compliant with the City Charter. Mr.  
40 McCue suggested the proposed lease could be amended to suit Council's wishes as a third option.

41  
42 Mayor Strickland remarked that the VIA has been an important part of Orange City for a long time.  
43 He felt that it would be beneficial for the city to rent Albertus Cottage to the VIA. Mayor Strickland  
44 expressed concerns that the lease agreement, in its present form, does not meet the City's needs. He  
45 suggested meeting with Mr. McCue to discuss it in detail. Mr. McCue concurred and suggested that a  
46 MOU be completed for the January 8<sup>th</sup> Council meeting.

**Council Member Sherrill moved that this agenda item be continued to the first meeting in January, seconded by Vice Mayor Allebach.**

Council Member Mahoney commented that Albertus Cottage is a historical building. He said that a clause discussing destruction of the premises should be included with the MOU. Mr. McCue felt that was not necessary, he detailed the City’s role and responsibility to keep Albertus Cottage in good order. He said that when the City leases its facilities, the tenants are responsible to maintain their impact on the property and that the City is responsible for the upkeep of the property. Council Member Mahoney pointed out that there is a distinction between fixing something and restoring it to its original state. Mr. McCue suggested that the VIA should pay for electricity, but should not be charged a large amount for rent. Other items to be included in the MOU should be the term of the lease, payment arrangements and designating who is responsible for damage to the property.

Council Member Sandford remarked that the VIA owns the property under Dickinson Park and the City leases that property. Mayor Strickland concurred and advised that it is a ten-year lease which will expire in 2013. Council Member Sandford suggested that if the City already has a lease with the VIA perhaps it could be amended to include the VIA’s rental of Albertus Cottage. Mr. McCue said that he would investigate if that could be done.

**Motion passed by unanimous 7/0 voice vote of the Council.**

**5. PUBLIC HEARINGS/ORDINANCES – SECOND & FINAL READING:** None at this time.

**6. RESOLUTIONS:**

**\*\*\*\*\*SPECIAL PUBLIC HEARING\*\*\*\*\***

**A. RESOLUTION NO. 446-07:** A resolution of the City of Orange City, Florida electing to use the uniform method of collecting non-ad valorem special assessments levied within the incorporated area of the city; stating a need for such levy; providing for the mailing of this resolution; and providing for an effective date.

\*\*\*\*\*

Mr. McCue read resolution no 446-07 into the record.

**Council Member Mahoney moved to adopt Resolution No. 446-07, seconded by Council Member Sherrill.**

Mr. McCue noted that for the last seven years, the city has adopted this resolution and has used it to implement two special assessments. Mr. McCue advised that the soonest the City could implement a special assessment under this resolution would be 2009. He reiterated that only the Council can implement a special assessment, not staff. The proposed resolution is an administrative tool for the city, a notification process to the property appraiser and property tax collector. He explained the process and gave an example of a developer that wants to pave the roads of his development. He said that the developer could request a special assessment district, to pass that cost onto its future property

1 owners. He stressed again that this resolution is simply a notification and does not give the City the  
2 right to implement any type of special assessment. He reiterated that staff has no plans to ask council  
3 to implement a special assessment district. He said that would require the Council's approval. Mr.  
4 McCue said that he has no intention of implementing a special assessment for police or fire services  
5 and that the taxes generated from ad valorem would not fund those services.  
6

7 Mr. McCue said that if the proposed state tax reform measures pass, he would be forced to recommend  
8 a cut in services, not to impose additional taxes. Mr. McCue cited an example of a private developer  
9 who would be forced to fund road improvements that could be prohibitive to development. He said  
10 that if the proposed resolution is adopted, it would allow that developer the opportunity to pass the  
11 cost for those improvements on to the people who buy his property. Mr. McCue stressed that this  
12 would go no further and he would not be presenting any special assessments to Council unless it was  
13 at their request.  
14

15 Christine Davis, Finance Director, came forward to discuss the notification process for a special  
16 assessment district. She said that there are at least two statutory public hearings held and direct mail  
17 notifications that must be sent to the affected public. She said that it is a long process and assured  
18 council that there is public involvement before the city can impose a special assessment. Mr. McCue  
19 said, again, that this is a routine process that the city has done for the last seven years.  
20

21 Council Member Sherrill commented that if this resolution is not passed it could affect the funding for  
22 the continuation of Kentucky Avenue and the development in the S.R. 472 area.  
23

24 Mayor Strickland opened the public hearing by asking whether anyone wished to speak in favor of or  
25 in opposition to the proposed Resolution.  
26

27 Ron Saylor, 361 Dixson Street, came forward and expressed dissatisfaction about having the garbage  
28 bill on his taxes. Mr. Saylor said that he is opposed to special taxing assessment districts. He stated,  
29 "I am totally against this, even though it is a good idea."  
30

31 Ed Senez, 720 North Volusia Avenue, came forward and stated that he agreed with Mr. Saylor. He  
32 questioned the verbiage used in the newspaper advertisement. Mr. McCue explained that the  
33 newspaper article must be written to be inclusive of the types of special taxing districts that could be  
34 implemented. Mr. Reischmann gave an explanation of special assessments. He said that it will not be  
35 imposed on the public at large, only to the people who will benefit by the work. He said that Florida  
36 Statutes dictate that the only people who pay for a special assessment are the people who receive a  
37 special benefit from the cost associated with the special assessment. Mr. McCue added that the special  
38 benefit must be attachable to the property being assessed.  
39

40 Mr. Senez expressed his opposition to the proposed resolution and to special assessments in general.  
41

42 Vice Mayor Allebach said that special taxing districts can be used as a tool to provide financing to a  
43 neighborhood that wanted to make improvements. He said that if this resolution was not approved and  
44 forwarded to the proper authorities, the city would not be able to assist the citizens that have requested  
45 improvements such as roads or street lights.  
46

1 Hugh Strickland, 420 May Street, came forward and stated that special assessment districts can  
2 provide a benefit, but that people are afraid of it. He suggested getting agreement in writing from the  
3 participants prior to implementing the district. Mr. Strickland suggested that such a district should  
4 only be formed with the consent of a majority of those affected. He further suggested that there was  
5 not a 51% majority of people who would be in favor of billing solid waste charges on the ad valorem  
6 tax bills.

7  
8 Mr. Reischmann clarified that the proposed resolution simply fulfills a statutory requirement and that  
9 an ordinance would be needed as well as further public hearings before a special taxing district could  
10 be implemented. He suggested that the City could utilize a special election or a mail ballot to  
11 determine the desires of the citizens in regard to the implementation of any special district. He noted  
12 the flexibility available with a special assessment district and said that the assessment is a “user fee”  
13 which is collected on the tax bill.

14  
15 Mayor Strickland expressed his belief that the citizens feared the unknown in regard to special  
16 assessments. He questioned whether 51% agreement among the citizens could be made a requirement  
17 of any future contemplation of a special assessment district by amending the proposed resolution. Mr.  
18 Reischmann responded that the proposed resolution must be adopted in its present form and forwarded  
19 to the tax collector by the deadline in order to be valid. Mayor Strickland noted that Daytona Beach  
20 recently passed such a resolution, however, they had a March deadline. Mr. McCue responded by  
21 characterizing Resolution No. 446-07 as “enabling legislation.” He said that Daytona Beach failed to  
22 adopt their resolution by the deadline, and were trying to “force” the property appraiser to collect the  
23 money anyways. He said that the 2% fee charged by the tax collector would not apply to Daytona  
24 Beach since they did not meet the deadline.

25  
26 Al Blue, 447 North Oak Street, noted that the special assessment resolution does not include any  
27 requirement for the people to vote on it. He spoke in support of requiring a 51% vote of the people to  
28 impose an assessment. Mr. McCue reiterated that this resolution does not implement a special  
29 assessment district, that it is simply a notification to the property appraiser. He said this is not a  
30 mechanism to increase taxes on Orange City residents. He said that if approved, before a special  
31 assessment could be adopted an ordinance would have to be enacted which would require an elongated  
32 notification process with a minimum of two readings. He said that the ordinance is where a  
33 requirement for majority approval by the people would be implemented.

34  
35 Council Member Mahoney suggested taking out the reference to fire protection and street lighting in  
36 the resolution, stating that Council has told the citizens that it is not their intention to implement those.  
37 Discussion ensued about possible situations where a new development may want to utilize a street  
38 lighting district.

39  
40 **Council Member Mahoney moved to amend the Resolution 446-07 by**  
41 **striking the reference to fire protection services, seconded by Vice**  
42 **Mayor Allebach.**

43  
44 Council Member Mahoney stated, “We’ve said to people it’s not our intention to do this, then let’s  
45 remove the language so our actions are consistent with our words.”  
46

1 Mayor Strickland stated, "I think an educated public is to our advantage. Having a clear idea about  
2 what this is all about is very important. I just want to thank those of you who are here tonight for  
3 coming and I hope that each of you have learned something in this process."  
4

5 **Motion to amend Resolution 446-07 passed by 7/0 roll call vote of the**  
6 **Council.**  
7

8 Council Member Sandford commented that he had spoken with his constituents and that no one was in  
9 favor of this resolution because it is perceived as a tax. He remarked that it sounds like a "good thing"  
10 but felt that imposing constraints as to its use could allay people's concerns. Mr. McCue reiterated  
11 that this is not the "vehicle" to impose constraints, that is it simply a notice to the property appraiser.  
12 He said that at the time that it is determined that a special assessment is needed, every one who is  
13 affect would be notified and that public hearings would be held to discuss the matter.  
14

15 **Motion to approve Resolution No. 446-07, as amended, passed by**  
16 **7/0 roll call vote of the Council.**  
17

18 Mayor Strickland recessed the meeting at 9:15 p.m., reconvening at 9:25 p.m.  
19

20 Council Member Mahoney asked that the Item 6G - Resolution No. 457-07 be considered at this time.  
21 There being no objection, the agenda was amended as requested.  
22

- 23 **G. RESOLUTION NO. 457-07:** A Resolution of the City Council of the City of Orange  
24 City, Florida, appointing Hector Gonzales to Seat #06 on the Orange City Planning  
25 Commission; repealing all resolutions in conflict herewith and providing for an  
26 effective date.  
27

28 Mr. McCue read the title of Resolution No 457-07 into the record.  
29

30 **Council Member Mahoney moved to approve Resolution No 457-07,**  
31 **seconded by Council Member Sandford and passed by 7/0 roll call**  
32 **vote of the Council.**  
33

- 34 **B. RESOLUTION NO. 452-07:** A Resolution of the City Council of the City of Orange  
35 City, Florida, appointing Alisa Stafford to Seat #07 on the Orange City Planning  
36 Commission; repealing all resolutions in conflict herewith and providing for an  
37 effective date.  
38

39 Mr. McCue read the title of Resolution No 452-07 into the record.  
40

41 **Council Member Mahoney moved to approve Resolution No 452-07,**  
42 **seconded by Vice Mayor Allebach and passed by 7/0 roll call vote of**  
43 **the Council.**  
44

- 45 **C. RESOLUTION NO. 453-07:** A Resolution of the City Council of the City of Orange  
46 City, Florida, appointing David Seaman to Seat #01 on the Orange City Planning

1 Commission; repealing all resolutions in conflict herewith and providing for an  
2 effective date.

3  
4 Mr. McCue read the title of Resolution No 453-07 into the record.

5  
6 **Vice Mayor Allebach moved to approve Resolution No 453-07,**  
7 **seconded by Council Member Mahoney and passed by 7/0 roll call**  
8 **vote of the Council.**

- 9  
10 **D. RESOLUTION NO. 454-07:** A Resolution of the City Council of the City of Orange  
11 City, Florida, appointing Ben Franklin to Seat #02 on the Orange City Planning  
12 Commission; repealing all resolutions in conflict herewith and providing for an  
13 effective date.

14  
15 Mr. McCue read the title of Resolution No 454-07 into the record.

16  
17 **Council Member Mahoney moved to approve Resolution No 454-07,**  
18 **seconded by Council Member Sherrill and passed by 7/0 roll call vote**  
19 **of the Council.**

- 20  
21 **E. RESOLUTION NO. 455-07:** A Resolution of the City Council of the City of Orange  
22 City, Florida, appointing Michelle Polgar to Seat #03 on the Orange City Planning  
23 Commission; repealing all resolutions in conflict herewith and providing for an  
24 effective date.

25  
26 Mr. McCue read the title of Resolution No 455-07 into the record.

27  
28 **Council Member Mahoney moved to approve Resolution No 455-07,**  
29 **seconded by Vice Mayor Allebach and passed by 7/0 roll call vote of**  
30 **the Council.**

- 31  
32 **F. RESOLUTION NO. 456-07:** A Resolution of the City Council of the City of Orange  
33 City, Florida, appointing Christopher Weldon to Seat #05 on the Orange City Planning  
34 Commission; repealing all resolutions in conflict herewith and providing for an  
35 effective date.

36  
37 Mr. McCue read the title of Resolution No 456-07 into the record.

38  
39 **Vice Mayor Allebach moved to approve Resolution No 456-07,**  
40 **seconded by Council Member Abraham and passed by 7/0 roll call**  
41 **vote of the Council.**

42  
43 Vice Mayor Allebach welcomed the newly appointed Planning and Zoning Commissioners.  
44

1 Mr. McCue announced that on December 19, 2007 at 6:30 p.m. the Development Services Department  
2 is hosting an educational workshop for the new Commissioners. He said that all Council Members are  
3 invited.

4  
5 City Clerk Debbie Renner administered the oath of office to the newly appointed Commissioners.

6  
7 Mayor Strickland welcomed the newly appointed Commissioners.

8  
9 **7. DISCUSSION AND ACTION:**

10  
11 A. Volusia Days 2008

12  
13 Mr. McCue advised that staff is recommending a modification in Orange City's participation with  
14 Volusia Days. He gave a brief history of the purpose of Volusia Days stating that in the past, various  
15 cities and counties would go to Tallahassee during the legislative session to lobby the legislators. He  
16 explained that about nine years ago, the State Legislature changed that process by assigning each of  
17 the State's 67 counties a certain time of their own to go to the capitol during the session. Mr. McCue  
18 stated that the City has participated in Volusia Days at the cost \$1,000 a year. He said that fee paid for  
19 "trinkets" for the legislature and tee shirts for all participants. Each city wore Volusia Days shirts and  
20 that it appeared as if every one was lobbying on behalf of Volusia County. Mr. McCue said that in  
21 time, differences in priorities emerged between the cities and the County. In addition, the legislators  
22 got the impression that the municipalities were there on behalf of the County rather than to discuss  
23 their own issues. Mr. McCue said that this year, staff is recommending a reduction in the City's  
24 contribution from \$1,000 to \$500 while still maintaining a relationship with Volusia Days and that  
25 staff wear Orange City shirts and maintain Orange City's identity throughout the entire visit.

26  
27 **Vice Mayor Allebach moved that the City Council approve**  
28 **supporting the Volusia Days effort by contributing \$500 and**  
29 **maintaining Orange City's identity by focusing on its legislative**  
30 **priorities, seconded by Council Member Laputka and passed by a**  
31 **unanimous 7/0 voice vote of the Council.**

32  
33 B. City's Investment Portfolio

34  
35 Mr. McCue gave a lengthy presentation on the City's investment relationship with the State Board of  
36 Administration (SBA). Mr. McCue advised that the City currently has \$4.7 million invested with the  
37 SBA. He stated that when the fund was frozen, there was a "run on the bank" at the SBA. Mr. McCue  
38 said that he learned that about a year ago, approximately 7% of the SBA investment portfolio was not  
39 secure. Mr. McCue said that the SBA is the largest investment pool in the State. Christine Davis,  
40 Finance Director, stated that the City has earned over \$700,000 in interest earnings in the pool over the  
41 past two years. Mr. McCue said that the money the City has in the pool is not operating funds.

42  
43 He said that the governor and cabinet, who comprise the Board of Trustees for the SBA, decided to  
44 split off the questionable investments into a separate pool and that pool has been frozen by the Board.  
45 The remaining funds can be withdrawn by investors up to \$2 million or 15% of the total funds,  
46 whichever is greater, from each account. Mr. McCue advised that the City would be moving \$3.4

1 million out of the pool and into its local bank account. Staff will then meet with the city's investment  
2 banker to discuss investment options. Mr. McCue said that security, liquidity and yield are the top  
3 priorities as well as making sure that the City's investments conform to the investment policy. He said  
4 that staff would be bringing forth a package to Council that identifies the investment options. In  
5 response to a question from Council Member Mahoney, Ms. Davis confirmed that the maximum of  
6 \$3.4 million dollars would be withdrawn from the SBA. Mr. McCue assured Council that the City has  
7 not lost any money at this time. He said that the City will have about \$600,000 in the SBA pool that it  
8 will not be able to touch for an undetermined period of time. He advised that unless Council said  
9 "no," he would be moving \$3.4 million, the maximum amount allowed, out of the SBA tomorrow.

10  
11 Mayor Strickland asked if the money withdrawn would be put into one institution. Ms. Davis  
12 responded that it would be deposited into various accounts at Wachovia until another investment is  
13 arranged. Ms. Davis said that the City's Wachovia accounts have repurchase agreements that are  
14 backed by collateralized U.S. securities. Mayor Strickland suggested that an investment policy be  
15 adopted "so that we don't put all our eggs in one basket." Mr. McCue responded that will be  
16 Council's decision.

17  
18 Council Mahoney suggested that the alternative investment package include an entity's investment  
19 policy or strategy underlying investments, as well as priorities, preservation, principal, liquidity and  
20 yield. He stated, "I want to be comfortable with what we are doing." Mr. McCue responded that  
21 council would have ample opportunity to review and discuss the options with the individuals  
22 presenting that investment opportunity.

23  
24 Mr. Reischmann pointed out that the fund in Tallahassee had polices and objectives as well. He felt  
25 that there will be an investigation as to whether those policies were followed.

26  
27 Mayor Strickland acknowledged that Jeff Larson, Investment Banker at D.A. Davidson & Co. was  
28 present. Mr. McCue gave a brief history of Mr. Larson's relationship with Orange City. Mr. Larson  
29 came forward. He stated that the City adopted an investment policy in 1998, which is well written but  
30 needs to be updated. He said that security, safety and transparency are critical aspects of an  
31 investment policy and that he would work with the city attorney on the procedures to follow to  
32 accomplish that update.

33  
34 **8. REPORTS:**

35  
36 A. City Manager

37  
38 Mr. McCue said the light up Orange City went well. He commended Public Works staff. He said they  
39 did an excellent job setting up for both the parade and the light up. In addition Public Works created  
40 an Orange City float that participated in the DeLand Christmas Parade. He said it was the best float  
41 that the City has had in many, many years. Mr. McCue wished everyone a Merry Christmas and a  
42 happy and healthy New Year.

43  
44 B. Mayor/City Council

45  
46 Council Member Sandford said that he will be attending the Volusia League of Cities "Newly Elected

1 Officials' seminar tomorrow.

2

3 C. City Clerk

4

5 No further report.

6

7 D. City Attorney

8

9 No further report.

10

11 **9. APPROVAL OF MINUTES:** November 27, 2007 Regular Council Meeting

12

13 **Vice Mayor Allebach moved to approved the minutes of the November 27<sup>th</sup>**  
14 **City Council Meeting, seconded by Council Member Sherrill and passed by**  
15 **unanimous 7/0 voice vote of the Council.**

16

17 **10. COUNCIL COMMENTS**

18

19 Council Member Mahoney said this was a good meeting. He remarked that priorities and goals of the  
20 investment policy should be ranked and that the number one rank should be preservation of principle.

21

22 Council Member Laputka welcomed the new Planning and Zoning Commissioners. He said that he  
23 attended the Light up Orange City and Christmas Parade and that both functions were good and well  
24 attended. He stated, "Merry Christmas to all".

25

26 Council Member Sandford wished everyone a Merry Christmas.

27

28 Council Member Sherrill said "ditto" to Council Member Laputka's comments and Merry Christmas  
29 and Happy New Year to everybody.

30

31 Mayor Strickland stated, "Thanks for coming and Merry Christmas."

32

33 Vice Mayor Allebach said it was a good meeting tonight. He stated, "I just hope that as we move into  
34 the New Year, we don't have to inflame people with fear to get them to come out to pay attention and  
35 learn, and have a sense of trust for these seven folks." He said "It's the holidays and we are going to  
36 work to provide more and more time to allow citizens to get plenty of conversation in, so let's work on  
37 being positive throughout the city."

38

39 Council Member Abraham said I wish everyone not only a happy Christmas and New Year but also a  
40 belated Happy Hanukah. He stated, "The festival of lights started with Hanukah and the menorah and  
41 that all the children in whole world enjoyed it. We cannot have a happy Christmas without some  
42 memory of Hanukah and happy Christmas to you all."

43

44 **11. ADJOURNMENT**

45

46 There being no further business, Mayor Strickland adjourned the meeting at 10:12 p.m.

1 **RESPECTFULLY SUBMITTED:**

2

3

4 Gloria Williams

5 Deputy City Clerk

**APPROVED ON**

\_\_\_\_\_