

CITY OF PALMETTO
CITY COMMISSION WORKSHOP MEETING
September 24, 2018
4:30 PM

PLEDGE OF PUBLIC CONDUCT
We may disagree, but we will be respectful to one another.
We will direct all comments to issues.
We will avoid personal attacks.

516 8th Avenue West
Palmetto, Florida 34221

(941) 723-4570
<http://www.palmettofl.org>

SHIRLEY GROOVER BRYANT, MAYOR

COMMISSION MEMBERS

JONATHAN DAVIS, VICE MAYOR, COMMISSIONER-AT-LARGE 1
BRIAN WILLIAMS, COMMISSIONER, WARD 3
TAMARA CORNWELL, COMMISSIONER-AT-LARGE 2
HAROLD SMITH, COMMISSIONER, WARD 1
TAMBRA VARNADORE, COMMISSIONER, WARD 2

1. LINKED-IN TRAINING (J. Burton)

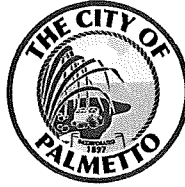
Mr. Burton will provide training via Linked-In regarding Microsoft products.

2. FY 2019 CAPITAL IMPROVEMENT PLAN (CIP) (A. Tusing/J. Freeman)

(TAB 1)

If any person desires to appeal any decision of the City Commission, CRA Board, or of any other Board of the City, that person will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based (FS §286.0105). The City of Palmetto does not discriminate on the basis of race, color, national origin, sex, religion, age, marital status or handicapped status in employment or in the provision of services. Handicapped individuals may receive special accommodation in services on forty-eight hours' notice (FS §286.26). Anyone requiring reasonable accommodation for this meeting as provided for in the American with Disabilities Act should contact the City Clerk by telephone at 941-723-4570, fax 941-723-4576 or e-mail jfreeman@palmettofl.org or alarowe@palmettofl.org.

POSTED: September 20, 2018



City of Palmetto Agenda

City of Palmetto City Hall Commission Chambers

Meeting Date:
9/24/2018

Presenter/Department: Jim Freeman/City Clerk & Allen Tusing/Public Works

Title: Res 2018-30 Budget Resolution – 2019-2023 Capital Improvement Plan

Background Discussion:

Each year the City prepares and adopts a five year CIP plan. The plan before you is identical to the plan presented at the 9/10/18 Commission Workshop with the following exceptions:

- The New Public Works Facility Building has been replaced with a Public Administration Building.
- The PARS Expansion project funding has been corrected to remove the funding from current revenue and replace it with additional FY2018 funding carried forward.
- FY2018 funding carried forward has been updated to reflect current balances that have been affected by an expenditure or encumbrance from the date of the last meeting.

The proposed FY2019 CIP funding is \$10,535,309 with a five year total of \$20,497,309.

The funding sources for the FY2019 projects are:

Current revenues from Water/Sewer fund.

Unused funds from FY2018 that are being carried forward into FY2019.

Fund balance from General and Road & Bridge Funds.

A SRF loan for the Equalization Basin Project.

CDBG Grant for Subsystem #4 – Infrastructure Improvement Project (Please note, project is split between Road Improvements and Water/Sewer).

Funding for years 2020-2023 will be determined during each individual year's budgeting process.

The City is currently undergoing a Utility Rate Study for the Water/Sewer, Stormwater, and Reuse Funds. Any proposed rate change or corresponding adjustment to CIP funding will be brought back to Commission at a later date upon completion.

The City had previously been awarded a design loan with the Florida Department of Environmental Protection for the Equalization Basin Project. At the August 8, 2018 meeting, FDEP approved a \$4,337,428 construction loan for this project. Staff is currently developing the bid documents and anticipates soliciting responses early in FY2019.

Staff is currently developing the Half-Cent Infrastructure project list and will bring back to Commission at a later date. Previously, CIP included Street Paving projects which were funded by Road & Bridge Fund Balance. These projects will now be included with the Half-Cent Infrastructure Fund.

City Commission approved funding for the CDBG – Fire Protection Upgrades project at the 5/21/2018 meeting. Staff is awaiting bid document approval from Florida Department of Economic Opportunity and anticipates advertising by the end of September. Any additional funding required will be brought back to Commission for approval.

Stabilization Reserve (Fund Balance less than 4 months): The Stormwater and Reuse funds are currently below the 4 month Stabilization Reserve. Only previously approved projects in these funds will maintain funding.

Budget Contingency Reserve (Fund Balance Greater than 4 months and less than 5 months): The City has determined to utilize a total of \$142,902 from General Fund. Contingency and One Time Capital Expenses as part of the Operating budget accounts for \$113,651, the remaining \$29,251 will fund City Facility Security and City Wide Facilities Upgrades as part of the CIP.

Adopting Resolution 2018-30 will provide the funding for the CIP as well as establish all budget lines necessary for that funding. This includes any transfers needed for the funding from fund balance.

Budgeted Amount:

See Attached

Available Amount:

See Attached

Expenditure Amount:

See Attached

Is this expensed from Operating Budget?

Capital Expense

Non Capital Expense

Is this part of the CIP: Y/N

Cost and Funds Source Account Number and Name:

See Attached

City Attorney Review: Y/N

Direction Requested/Potential Motion:

Motion to adopt resolution 2018-30, 2019-2023 Capital Improvement Plan

Staff Contact:

Matt Misco, Senior Accountant

Attachments:

Resolution 2018-30, Attachment A: 2019-2023 CIP, Attachment B: Fund Balance Usable for Capital Projects

RESOLUTION NO. 2018-30

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PALMETTO, FLORIDA, ADOPTING THE CAPITAL IMPROVEMENT PLAN BUDGET FOR FISCAL YEARS 2019-2023; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Palmetto, Florida has determined that it is necessary to adopt a Capital Improvement Plan;

WHEREAS, it is necessary to provide budgetary authorization for the expenditure of these funds in Fiscal Year 2018;

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COMMISSION OF THE CITY OF PALMETTO, FLORIDA:

Section 1: The Capital Improvement Plan for 2019 through 2023 as shown on Attachment A to this Resolution is hereby adopted in the total amount of \$20,497,309.

Section 2: The Capital Improvement Plan Budget for the Fiscal Year 2019 as shown on Attachments A to this Resolution is hereby adopted in the amount of \$10,535,309.

Section 3: The budget for funding from fund balance/net position as detailed on Attachments B and included in Attachment A to the Resolution is hereby adopted in the amount of \$4,752,203.

Section 4: This Resolution shall become effective immediately upon its passage

PASSED AND DULY ADOPTED, in regular session, by the City Commission of the City of Palmetto, with a quorum present and voting, this 24th day of September, 2018.

CITY OF PALMETTO, FLORIDA
BY AND THROUGH THE CITY
COMMISSION OF THE CITY OF
PALMETTO

By: _____
SHIRLEY GROOVER BRYANT, MAYOR

ATTEST: JAMES R. FREEMAN

By: _____
City Clerk



**CITY OF PALMETTO, FLORIDA
2018-2019 BUDGET**

**2019- 2023 CAPITAL IMPROVEMENT PLAN
ATTACHMENT A**

Project Description	Supporting Fund	FY2018 PROJECTS CARRIED FORWARD	NEW FY2019 FUNDING	TOTAL FY2019 FUNDING	FY2020	FY2021	FY2022	FY2023	Total Project Cost
Road Improvements									
1 New Sidewalk Projects	Road & Bridge	\$ 130,000	\$ -	\$ 130,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 390,000
2 Subsystem #4 - Infrastructure Improvements	* Road & Bridge	723,750	-	\$ 723,750	-	-	-	-	723,750
ROAD IMPROVEMENTS TOTAL		\$ 853,750	\$ -	\$ 853,750	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 1,113,750
Public Facilities									
1 City Facility Security	General Fund	\$ 21,690	\$ 19,810	\$ 41,500	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 141,500
2 City Wide Facilities Upgrades	General Fund	77,059	9,441	86,500	25,000	25,000	25,000	25,000	186,500
3 Public Works Yard Lighting	N/A	-	-	-	45,000	-	-	-	45,000
4 Public Administration Building	N/A	-	-	-	-	342,000	4,275,000	-	4,617,000
PUBLIC FACILITIES TOTAL		\$ 98,749	\$ 29,251	\$ 128,000	\$ 95,000	\$ 392,000	\$ 4,325,000	\$ 50,000	\$ 4,990,000
Stormwater									
1 16th Ave Project - 5th to 6th Street	Road & Bridge	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
2 Dredging Projects	Road & Bridge	111,550	90,000	201,550	10,000	10,000	10,000	10,000	241,550
STORMWATER TOTAL		\$ 111,550	\$ 290,000	\$ 401,550	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 441,550
Water/Sewer									
1 WWTP Expansion	Water/Sewer	\$ 200,000	\$ 150,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 350,000
2 Equalization Basin & Equipment	Water/Sewer & Loan	4,337,428	-	4,337,428	-	-	-	-	4,337,428
3 WWTP Upgrades	Water/Sewer	349,481	-	349,481	200,000	200,000	200,000	200,000	1,149,481
4 WWTP R&R	Water/Sewer	27,484	100,000	127,484	50,000	50,000	50,000	50,000	327,484
5 Lift Station Upgrades	Water/Sewer	293,980	95,678	389,658	100,000	100,000	100,000	100,000	789,658
6 Sewer Lines R&R	Water/Sewer	80,101	200,000	280,101	50,000	50,000	50,000	50,000	480,101
7 I&I Program	Water/Sewer	800,878	-	800,878	400,000	400,000	400,000	400,000	2,400,878
8 Water Lines R&R	Water/Sewer	297,087	-	297,087	150,000	150,000	150,000	150,000	897,087
9 Chloramines Injection System	Water/Sewer & Loan	210,575	50,000	260,575	-	-	-	-	260,575
10 Subsystem #4 - Infrastructure Improvements	* Water/Sewer & Loan	1,279,850	100,000	1,379,850	-	-	-	-	1,379,850
WATER/SEWER TOTAL		\$ 7,876,864	\$ 695,678	\$ 8,572,542	\$ 950,000	\$ 950,000	\$ 950,000	\$ 950,000	\$ 12,372,542
Reuse									
1 PARS Expansion	Reuse	\$ 579,467	\$ -	\$ 579,467	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,579,467
REUSE TOTAL		\$ 579,467	\$ -	\$ 579,467	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,579,467
GRAND TOTAL		\$ 9,520,380	\$ 1,014,929	\$ 10,535,309	\$ 1,370,000	\$ 1,667,000	\$ 5,600,000	\$ 1,325,000	\$ 20,497,309

* Carry forward funding includes CDBG Grant



**CITY OF PALMETTO, FLORIDA
2018-2019 BUDGET**

**2019 - 2023 CAPITAL IMPROVEMENT PLAN
ATTACHMENT A**

Project Description	Supporting Fund	FY2018					Total Funded Projects	Unfunded	Total FY2019 CIP
		Funding Carried Forward	Current Revenue	City Fund Balance	New Loan Funds	Grants			
Road Improvements									
1 New Sidewalk Projects	Road & Bridge	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000	\$ -	\$ 130,000
Subsystem #4 - Infrastructure									
2 Improvements	Road & Bridge	573,750	-	-	-	150,000	723,750	-	723,750
ROAD IMPROVEMENTS TOTAL		\$ 703,750	\$ -	\$ -	\$ -	\$ 150,000	\$ 853,750	\$ -	\$ 853,750
Public Facilities									
1 City Facility Security	General Fund	\$ 21,690	\$ -	\$ 19,810	\$ -	\$ -	\$ 41,500	\$ -	\$ 41,500
2 City Wide Facilities Upgrades	General Fund	77,059	-	9,441	-	-	86,500	-	86,500
3 Public Works Yard Lighting	N/A	-	-	-	-	-	-	-	-
4 Public Administration Building	N/A	-	-	-	-	-	-	-	-
PUBLIC FACILITIES TOTAL		\$ 98,749	\$ -	\$ 29,251	\$ -	\$ -	\$ 128,000	\$ -	\$ 128,000
Stormwater									
1 16th Ave Project - 5th to 6th Street	Road & Bridge	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ 200,000	\$ -	\$ 200,000
2 Dredging Projects	Road & Bridge	111,550	-	90,000	-	-	201,550	-	201,550
STORMWATER TOTAL		\$ 111,550	\$ -	\$ 290,000	\$ -	\$ -	\$ 401,550	\$ -	\$ 401,550
Water/Sewer									
1 WWTP Expansion	Water/Sewer	\$ 200,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ 350,000
2 Equalization Basin & Equipment	Water/Sewer & Loan	4,337,428	-	-	-	-	4,337,428	-	4,337,428
3 WWTP Upgrades	Water/Sewer	349,481	-	-	-	-	349,481	-	349,481
4 WWTP R&R	Water/Sewer	27,484	100,000	-	-	-	127,484	-	127,484
5 Lift Station Upgrades	Water/Sewer	293,980	95,678	-	-	-	389,658	-	389,658
6 Sewer Lines R&R	Water/Sewer	80,101	200,000	-	-	-	280,101	-	280,101
7 I&I Program	Water/Sewer	800,878	-	-	-	-	800,878	-	800,878
8 Water Lines R&R	Water/Sewer	297,087	-	-	-	-	297,087	-	297,087
9 Chloramines Injection System	Water/Sewer & Loan	210,575	50,000	-	-	-	260,575	-	260,575
Subsystem #4 - Infrastructure									
10 Improvements	Water/Sewer & Loan	679,850	100,000	-	-	600,000	1,379,850	-	1,379,850
WATER/SEWER TOTAL		\$ 7,276,864	\$ 695,678	\$ -	\$ -	\$ 600,000	\$ 8,572,542	\$ -	\$ 8,572,542
Reuse									
1 PARS Expansion	Reuse	\$ 579,467	\$ -	\$ -	\$ -	\$ -	\$ 579,467	\$ -	\$ 579,467
REUSE TOTAL		\$ 579,467	\$ -	\$ -	\$ -	\$ -	\$ 579,467	\$ -	\$ 579,467
GRAND TOTAL		\$ 8,770,380	\$ 695,678	\$ 319,251	\$ -	\$ 750,000	\$ 10,535,309	\$ -	\$ 10,535,309



**CITY OF PALMETTO, FLORIDA
2018-2019 BUDGET**

FUND BALANCE USABLE FOR CAPITAL PROJECTS

Attachment B

Fund/Reserve	FY2018 Unassigned Fund Balance / Unrestricted Net Position as projected (1)	1/12 of FY2019 Original Budgeted Expenses (2)	# of Months of Unassigned Fund Balance/ Unrestricted Net Position	Amount over(under) 3 month minimum	Amount over(under) 4 month minimum	Amount over(under) 5 months for Capital Reserve
(3) General Fund	4,124,683	965,236	4.27	1,228,974	263,738	(701,498)
Road and Bridge	1,051,234	151,574	6.94	596,511	444,936	293,362
(4) Solid Waste	384,819	188,394	2.04	(180,363)	(368,757)	(557,151)
(5) Water/Sewer	2,434,518	562,390	4.33	747,348	184,958	(377,432)
Stormwater	(47,268)	82,085	(0.58)	(293,524)	(375,610)	(457,695)
(5) Reuse	96,142	26,077	3.69	17,911	(8,166)	(34,243)

(1) Amount is calculated using FY 2018 projected revenues and expenses as of 9/04/2018, Unassigned Fund Balance for General Fund, General operating expenses for Road and Bridge, and Unrestricted Net Position, less restricted cash for capital projects for all Enterprise funds. This is also calculated by removing all non-unassigned fund balance for governmental funds and net investment in capital assets and restricted net position for enterprise funds. Outstanding encumbrances are also taken into consideration.

(2) Amount is calculated using FY2019 budget as of 9/04/2018. The amounts for Enterprise funds are calculated using a modified accrual approach and all capital and principal debt service is included. Only budget for expenses funded from impact fees and/or restricted for debt service have been excluded.

(3) Unassigned Fund Balance is less than 5 months due to the purchase of the school board property.

(4) Unassigned Fund Balance is less than 3 months due to expense associated with Hurricane Irma. The estimate reimbursement from FEMA is \$284,000. This would add 1.39 months of unassigned fund balance with \$100,000 over the 3 month minimum.

(5) Unassigned Fund Balance for these two funds is net of funding for Capital Improvement Projects funded in 2015 through 2017 and not spent in the year received and carried over into the current fiscal year.

Fund	Project Name	Funding Amount	Amount Available (Fund Balance/Carry Forward)	Unused Amount
To be transferred to other funds:				
General Fund	City Facility Security	19,810		
	City Wide Facilities Upgrades	9,441		
	Total Use of General Fund Balance	29,251	150,087	120,836
Road & Bridge	16th Ave - 5th to 6th Street	200,000		
	Dredging Projects	90,000		
	Total Use of Road & Bridge Fund Balance	290,000	293,362	3,362
Use of Committed/Assigned Fund Balance/Unrestricted Net Position for Carry-Forward Funding				
Capital Projects Committed Fund Balance (not to exceed)				
	New Sidewalk Projects	130,000		
	Subsystem #4 - Infrastructure Improvements	573,750		
	City Facility Security	21,690		
	City Wide Facility Upgrades	77,059		
	Total Capital Projects Committed Fund Balance	802,499	802,499	-
Water & Sewer Unrestricted Net Position (not to exceed)				
	WWTP Expansion	200,000		
	WWTP Upgrades	349,481		
	WWTP R&R	27,484		
	Lift Station Upgrades	293,980		
	Sewer Line R&R	80,101		
	I&I Programs	800,878		
	Water Line R&R	297,087		
	Chloramine Injection Systems	167,188		
	Fire Protection Upgrades	174,980		
	Total Net Position to be used for funding	2,391,179	2,391,179	-
Restricted Loan Funds				
	Chloramines Injection System	43,387		
	Fire Protection Upgrades	504,870		
	Total Loan Funds to be used for funding	548,257	548,257	-
	Total Use of Water & Sewer Net Position	2,939,436	2,939,426	-
Stormwater Unrestricted Net Position (not to exceed)				
	Dredging Projects	111,550		
	Total Use of Stormwater Unrestricted Net Position	111,550	111,550	-
Reuse Unrestricted Net Position (not to exceed)				
	PARS Expansion	579,467		
	Total Use of Reuse Unrestricted Net Position	579,467	579,467	-
Total Use of City Fund Balance/Net Position		4,752,203	4,876,391	124,198