

**CITY OF BROOKSVILLE
REGULAR CITY COUNCIL MEETING
COUNCIL CHAMBERS
201 HOWELL AVENUE
BROOKSVILLE, FL 34601**

**AGENDA
“AMENDED”**

September 17, 2012

7:00 P.M.

- A. CALL TO ORDER
- B. INVOCATION AND PLEDGE OF ALLEGIANCE
- C. CITIZEN INPUT
- D. CONSENT AGENDA

1. **Minutes**

- a. November 1, 2010 Executive Session
 - i. Bond Safeguard Ins. Co.
 - ii. Travelers Casualty & Surety Co. of America & Chubb Group Insurance Co.
- b. December 6, 2010 Executive Session
 - i. Travelers Casualty & Surety Co. of America & Chubb Group Insurance Co.
 - ii. Progress Energy – Public Service Tax
 - iii. State of Florida Public Service Commission
Re: Application of Skyline Utilities, LLC.
- c. July 16, 2012 Regular Meeting
- d. July 31, 2012 Budget Workshop & Special Meeting

2. **Professional Services Special Master/Hearing Officer Contract**

Consideration of renewal contract with Attorney Kenneth L. Warnstadt for Professional Services.

3. **Vacuum Excavator Truck Purchase**

Consideration of portable vacuum excavator purchase from Vermeer Southeast via the Florida Sheriff's Association bid for the amount of \$44,758.

4. **Employee Group Insurance Coverage Renewal**

Consideration for renewal of employee benefit insurance coverages for FY2012/13.

REGULAR COUNCIL MEETING – September 17, 2012

CONSENT AGENDA APPROVAL (√)

Recommendation: Approval of Consent Agenda
Action: Motion to Approve
Attachments: 1) Minutes; 2) Memo from Director of Community Development dated 09/17/12, Agreement; 3) Memo from Director of Public Works dated 08/15/12, Vermeer Southeast/Sales Quote; Florida Sheriffs' Association, Association of Counties, and Fire Chiefs' Association Contract Quote-Vacuum Excavator; 4) Memo from City Manager dated 09/10/12

E. REGULAR AGENDA

1. Great Brooksvillian Selection

Review of Screening Committee recommendations and selection of the 2012 Great Brooksvillian recipient.

Presentation: City Clerk and Screening Committee Chair
Recommendation: Approval of Appointment or Direction to Staff
Attachments: Memo from City Clerk and Screening Committee Chair dated 08/24/12, Policy 2-2012

2. Beautification Board Appointment

Consideration of student representative to fill a 1-year term of office (per Policy 4-2008) through September 17, 2013.

Presentation: City Clerk
Recommendation: Approval of Appointment
Attachments: Memo from City Clerk dated 09/17/12

3. Blueberry Festival Event

Update and presentation regarding the Blueberry Festival.

Presentation: Michael Heard, Blueberry Festival Committee Chair

REGULAR COUNCIL MEETING – September 17, 2012

4. **SunTrust Bank Loan to Refund/Refinance Certain Water and Sewer Debt**
Consideration of proposal provided by SunTrust to refund/refinance certain Water and Sewer Debt.

Presentation:	Assistant Director of Finance
Recommendation:	Approval of Proposal
Attachments:	Memo from Assistant Director of Finance dated 09/17/12, SunTrust proposal letter dated 9/12/12, SunTrust Summary of Refunding Results

F. CITIZEN INPUT

G. ITEMS BY COUNCIL

H. ADJOURNMENT

CORRESPONDENCE TO NOTE

In accordance with the Americans with Disabilities Act, persons with disabilities needing a special accommodation to participate in this proceeding should contact the City Clerk's office 48 hours in advance of the meeting at (352) 540-3853. Meeting agendas and supporting documentation are available from the City Clerk's office and on line at www.cityofbrooksville.us.

Any person desiring to appeal any decision with respect to any matter considered at this meeting, may need a record of the proceedings including the testimony and evidence upon which the appeal is to be based, and therefore must make arrangements for a court reporter to ensure that a verbatim record of the proceedings is made.

9/17/12

CITY OF BROOKSVILLE

CITY COUNCIL

EXECUTIVE SESSION

PROCEEDINGS: Executive Session Re:
City of Brooksville v Bond Safeguard
Insurance Company, Case No.:
H27-CA-2009-2388, Fifth Judicial
Circuit, in and for Hernando County,
Florida

BEFORE: Lara Bradburn, Mayor
Richard E. Lewis, Vice-Mayor
Joe Bernardini
Frankie Burnett

DATE TAKEN: November 1, 2010

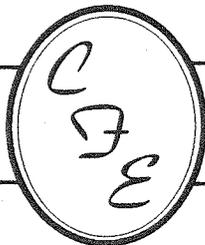
PLACE TAKEN: 201 Howell Avenue
Brooksville, Florida

REPORTED BY: HOLLY L. KIRCHMAN, RPR; Notary
Public, State of Florida at Large

APPEARANCES: Thomas S. Hogan, Jr., Esquire and
Jennifer Rey, Esquire
The Hogan Law Firm
20 South Broad Street
Brooksville, Florida 34601
Attorneys for City of Brooksville

ALSO PRESENT: T. Jennene Norman-Vacha, City Manager
Debbie Hogan, Esquire

ORIGINAL



Carolyn F. Engel & Associates

Registered Professional and
Certified Verbatim Reporters

309 South Main Street - Brooksville, Florida 34601

(352) 754-1182

P R O C E E D I N G S

1
2 MAYOR BRADBURN: Well, good evening. We
3 will call to order the November 1st, 2010,
4 meeting of the Brooksville City Council. I'll
5 begin, if we could, open with an invocation and
6 a pledge of allegiance. And I will ask Mr.
7 Burnett to start us off tonight.

8 (Not reported due to standing for invocation
9 and pledge.)

10 MAYOR BRADBURN: All right. Gentlemen,
11 tonight we're going to adjourn first for a
12 special meeting, an executive session. With
13 that we will ask all those not on the agenda
14 tonight for this special executive session to
15 exit, please.

16 All right. Thank you. We have a couple of
17 items on the agenda tonight that our attorneys
18 wish to discuss in regards to some litigation
19 and some bond issues. With that, I will turn it
20 to over to Mr. Hogan and Ms. Rey.

21 MR. HOGAN: Okay.

22 MAYOR BRADBURN: Do you need to record that?

23 MR. HOGAN: We've got a -- if you recall,
24 it's important that we maintain a good clear
25 record of this procedure. This procedure will

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1 become public under the statute, under 119, at
2 the conclusion of each of these litigated
3 matters. Now these matters will obviously
4 conclude at different points in time, so
5 different segments of the record will become
6 public at different times as each matter
7 matures.

8 So what we need to do, what I'm recommending
9 to you is that we discuss each item one at a
10 time and completely discuss it, and then move to
11 the next item, discuss it and move to the next
12 item. It's important that we don't jump back
13 and forth or mix our discussions so that if we
14 have to produce a segment of the record, we can
15 do that easily without having to pick and redact
16 language.

17 And, so it's an open discussion. I'd ask
18 that we kind of speak one at a time and speak
19 loud enough and clearly so that the court
20 reporter can hear us and get down verbatim what
21 we're saying. That's also important. So have I
22 left anything out, Jennifer?

23 MS. REY: No, sir.

24 MR. HOGAN: All right. Any questions about
25 the procedure?

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1 MAYOR BRADBURN: No, sir.

2 MR. HOGAN: With that, we go to the first
3 item, which is the City of Brooksville versus
4 Bond Safeguard. That was a lawsuit that the
5 City filed against the bonding company to try to
6 get some streets paved in the Cascades portion
7 of the Southern Hills development.

8 As you recall, Levitt and Sons declared
9 bankruptcy and left the streets and some of the
10 sidewalks incomplete. The streets had the
11 initial lift of asphalt but not the final lift
12 or second lift of asphalt, and some of the
13 sidewalks are not completed. They had posted a
14 bond, and it was issued by Bond Safeguard
15 Insurance Company. The City made a claim on the
16 bond and we filed suit on behalf of the City.

17 We entered into the normal track of
18 litigation, and then we were able to enter into
19 a mediation discussion with Bond Safeguard. The
20 subsequent owner of the property, which is an
21 LLC that's called CaSHP, which is capital C,
22 small A, capital S, capital H, capital P,
23 voluntarily joined in the mediation discussion,
24 and they voluntarily entered into the settlement
25 agreement that is before you for discussion

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1 tonight.

2 I'll give you the highlights of the
3 settlement agreement, which is that the bonding
4 company agreed to post what's called the penal
5 sum of the bond. In other words, the amount the
6 bonding company was liable for was \$251,000 --
7 and, let's see --

8 MAYOR BRADBURN: 191.50.

9 MR. HOGAN: 191.50, thank you. And CaSHP
10 volunteered to put up \$30,000. These sums have
11 been deposited into the trust account at the
12 Hogan Law Firm and the contract has been entered
13 into. CaSHP first hired Coastal to do the
14 estimate, and then they hired Goodwin or had to
15 have a contract entered into with Goodwin,
16 depending on your approval at the next meeting
17 of this settlement agreement.

18 The total balance of the Goodwin contract,
19 which contains a 15 percent overage contingency,
20 is \$262,054.90. The way that the settlement
21 agreement will work is that if the contract is
22 completed for the amount that was agreed upon,
23 the balance or up to \$20,000 of the balance in
24 the trust account will go back to the City for
25 -- to cover costs and fees, legal fees.

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1 The contract requires that the work be done
2 to the City's specifications. The contract and
3 proposal have been reviewed by your staff, our
4 staff, Mr. Geitner (phonetic), and Mr. Radacky.
5 We feel that it's a -- it's a good settlement in
6 light of the fact that we got the penal sum of
7 the bond and also CaSHP was enjoined and put in
8 \$30,000, which we have in our trust account
9 waiting on whether or not you approve the
10 settlement agreement.

11 Now to date -- probably as of yesterday --
12 well, it says today -- we have expended legal
13 fees and costs in the amount of \$9971.96. So
14 there's a chance that we'll be able to recoup
15 all the legal fees and costs if the work comes
16 in for what Goodwin has bid on. So this matter
17 would be up for discussion tonight, and then
18 final approval of the settlement agreement will
19 be on your next regular meeting/agenda tonight
20 following this meeting.

21 COUNCILMAN LEWIS: Question, ma'am.

22 MAYOR BRADBURN: Yes, sir.

23 COUNCILMAN LEWIS: The penal sum, is that
24 the two bonds total, the 251,191? Because
25 there's two different bonds listed.

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1 MS. REY: One is a maintenance bond; the
2 other was an actual --

3 COUNCILMAN LEWIS: Performance?

4 MS. REY: -- a performance bond, so this
5 applies to the performance bond, not the
6 maintenance bond.

7 COUNCILMAN LEWIS: What was the amount of
8 the maintenance bond, for our information?

9 MR. HOGAN: I don't recall, but we're not
10 making -- we didn't make a claim under the
11 maintenance bond. Those complete the
12 construction, the performance bond.

13 MS. REY: I don't recall the amount.

14 COUNCILMAN LEWIS: Would we have a right to
15 make a claim for that one or --

16 MR. HOGAN: Well, we went out there -- the
17 short answer is yes. But the long answer is, we
18 went out there with your staff. There were no
19 maintenance issues; they were all completion
20 issues.

21 COUNCILMAN LEWIS: The part that was in
22 there, there was no problem with the
23 maintenance.

24 MR. HOGAN: Correct.

25 COUNCILMAN LEWIS: I know that there was

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1 some discussion before, we had discussed about
2 some inferior roadwork, that there might have to
3 be some base change-outs.

4 MR. HOGAN: Yes. That is covered under the
5 completion bond.

6 COUNCILMAN LEWIS: Thank you. That's all I
7 had, ma'am.

8 MAYOR BRADBURN: Any further questions for
9 the attorney?

10 COUNCILMAN BERNARDINI: The contract with
11 Goodwin Brothers, now is it because they're a
12 private company that's doing it, that there's no
13 RFPs? So Coastal can go to anybody that they
14 choose and say -- I think you did say Coastal --

15 MR. HOGAN: Actually what happened,
16 Councilman, was that this is a private contract
17 between CaSHP and Goodwin. Goodwin hired
18 Coastal to help them find the best bid, and then
19 Goodwin was the one that bid on it. So it's a
20 contract between those two entities and it's a
21 product of the settlement agreement.

22 For those reasons you don't have to go out
23 to RFP.

24 MS. REY: As clarification, the actual
25 construction contract was with the homeowners'

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1 association, who will have long-term
2 responsibility for the maintenance of the
3 interior roads. And, so because of that, the
4 contract was -- because of the ongoing
5 maintenance responsibility of the roads, the
6 contract was done with the homeowners'
7 association.

8 However, I do know that Goodwin Brothers was
9 also in negotiations with the surety prior to
10 mediation for possible completion of the
11 project. So it was continuing with them on
12 behalf of working with the surety as well to
13 complete that work.

14 MR. HOGAN: Here's the other reason,
15 Councilman. If this had become public, that we
16 were able to acquire \$280,000 in our trust
17 account, I feared that's what the bid would be.
18 And I wanted to try to recoup your fees, if
19 possible, and there's a chance that we can do it
20 here.

21 And it's not a City contract, so it's not
22 required.

23 COUNCILMAN BERNARDINI: That's the only
24 question I had, Mayor. Thank you.

25 MAYOR BRADBURN: Well, along those lines --

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1 and there has been considerable discussion about
2 the integrity of the base since the second layer
3 was never done -- our former Public Works
4 director did report some erosion. Coastal has
5 gone out there and made an analysis of the
6 current structural integrity of that road. I
7 assume that certain sections will have to be
8 redone. So this is covered by the re-doing of
9 those particular sections.

10 Here's my question. If those particular
11 sections re-done fail, who do we go back on?

12 MR. HOGAN: There's a 14-month warranty with
13 Goodwin. Those -- the contract required them to
14 bring the project up to City standards, has to
15 pass City inspection, City code.

16 MAYOR BRADBURN: Okay. I know that we're
17 not required to -- and this is the wrong word,
18 but it's the only one that's popping in my head
19 at the moment -- to placate to the homeowners'
20 association. But I know that they had some
21 concerns about this whole dealing. And if the
22 contract's actually through the homeowners'
23 association, I assume that they're all cool with
24 the Goodwin Brothers' plan.

25 MR. HOGAN: Yes.

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1 MAYOR BRADBURN: Okay. Well, those are the
2 questions that I had. Any further questions of
3 legal? Well, I know that Jennifer put in
4 considerable hours of research on this issue,
5 and certainly the City Manager did as well and
6 our staff. And thanks for coming through in the
7 lurch with that mediation; you did an awesome
8 job.

9 I think this really covers the City's needs
10 and certainly meets the goals that this Council
11 set forth, so good job.

12 MR. HOGAN: They actually made me work that
13 day. I had to go to the mediation.

14 COUNCILMAN BURNETT: I think that we should
15 go one step further and have the understanding
16 that if those bids come in at the amount that
17 the fees are not covered, then we are
18 responsible for the fees. Because sometimes in
19 dealing with contracts like this, with
20 attorney's fees included, it would come up under
21 that. If you're able to pay the attorney's
22 fees, then you have a little bit more.

23 But sometimes it does not happen. So we
24 need to be aware of that in a broad sense.

25 MR. HOGAN: Well, you've already paid --

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1 these are the ongoing fees since this case
2 began. So if we're able to recoup it -- and I'm
3 hopeful that it all works out the way it's
4 supposed to according to the contract -- we will
5 be able to recoup those fees and then some.

6 So I'm hesitant to promise anything because
7 that's when things go wrong, but I think we're
8 in a good position to recover your fees.

9 COUNCILMAN BURNETT: And we appreciate that.
10 But, still, I feel like the Council should have
11 an open mind because all the time, based on that
12 contract, in the nine years of dealing with
13 those type of contracts, it always does not come
14 through. So that we would be aware in case it
15 didn't, and no one will say, "Well, you said
16 this in this executive session that we're going
17 to be taken care of; now you're bringing up a
18 \$9000 bill back there or a \$6000 bill" --

19 MAYOR BRADBURN: Well, you're very correct
20 because I'm expecting it to come in under bid.
21 Under bid, that's the goal.

22 COUNCILMAN LEWIS: Question for legal,
23 Mayor. During the mediation, there wouldn't
24 have been any reason for CaSHP to release to
25 Goodwin the amount of the settlement.

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1 MR. HOGAN: No, the opposite.

2 COUNCILMAN LEWIS: The opposite, okay.
3 Because I didn't want that number to get out.
4 And only a limited number of people know that
5 particular number, I guess, is my concern. Like
6 Mr. Burnett said, don't be surprised, because if
7 it came in \$279,999 and --

8 MR. HOGAN: That would have been suspect.

9 COUNCILMAN LEWIS: Thank you. Just one
10 comment. I am aware that when they were
11 building a lot of these road bases in Southern
12 Hills, when they were doing the initial
13 construction in there, they did use a rock
14 crushing facility that's on U.S. 41 just north
15 of that, and it was with a crushed concrete
16 base.

17 So that plant that's just north of Southern
18 Hills, that's on the east side of the road there
19 where they had all that, what I call concrete
20 riff-raff, they crushed all that rock. They
21 bought it from them, they crushed it, they
22 ground it up, and used it for road base. And
23 let me tell you, any engineer will tell you it
24 is superior road base.

25 So there might be problems that they had,

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1 like the Mayor said, because the second coat
2 wasn't put on for sealing, but it has a superb
3 base in there so -- when they built those roads
4 in there. So that was the idea when they first
5 went in there. I watched them put a lot of that
6 down, just for the record. Thank you, ma'am.

7 MR. HOGAN: That concludes our discussion of
8 the City of Brooksville versus Bond Safeguard.
9 Madam Court Reporter, that's case number
10 CA-09-2388, Circuit Court in and for Hernando
11 County.

12 COUNCILMAN BERNARDINI: I just thought of
13 another question before we end this now, because
14 this one is going to come up at the next
15 meeting. Are we allowed --

16 MR. HOGAN: Tonight.

17 COUNCILMAN BERNARDINI: Are we allowed to
18 discuss any of this?

19 MR. HOGAN: Well, sure, you can discuss it.
20 But I wanted to see if we had any discussion
21 here. Because, you know, there's a possibility
22 you could have said, "No; no, don't enter into
23 this settlement agreement." So we had to bring
24 it up in the executive session.

25 COUNCILMAN BERNARDINI: But we can -- I

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1 probably won't, but there could be without a
2 problem --

3 MR. HOGAN: Thank you.

4 COUNCILMAN BERNARDINI: Thank you, sorry.

5 MR. HOGAN: I wouldn't want to -- I would
6 not want to -- I would advise you not to discuss
7 it to the point that Goodwin decides they need
8 to --

9 COUNCILMAN BERNARDINI: Right, that's kind
10 of --

11 COUNCILMAN LEWIS: Gotcha.

12 MR. HOGAN: All right; okay. So does
13 that -- is that the end of that discussion?

14 MAYOR BRADBURN: Yes, sir.

15 (Whereupon, the discussion on this agenda
16 item was concluded.)

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COURT CERTIFICATE

STATE OF FLORIDA

COUNTY OF HERNANDO

I, HOLLY L. KIRCHMAN, Registered Professional Reporter; Notary Public, State of Florida at Large, certify that I was authorized to and did stenographically report the foregoing proceedings and that the transcript is a true and complete record of my stenographic notes.

DATED this 8th day of April, 2011.

Holly L. Kirchman
HOLLY L. KIRCHMAN, RPR; Notary
Public, State of Florida at Large

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9/17/12

CITY OF BROOKSVILLE

CITY COUNCIL

EXECUTIVE SESSION

PROCEEDINGS: Executive Session Re:
 City of Brooksville v Travelers
 Casualty and Surety Company of
 America and Chubb Group Insurance
 Companies (Federal Insurance
 Company) Case No.: H27-CA-2010-2915,
 Fifth Judicial Circuit, in and for
 Hernando County, Florida

BEFORE: Lara Bradburn, Mayor
 Richard E. Lewis, Vice-Mayor
 Joe Bernardini
 Frankie Burnett

DATE TAKEN: November 1, 2010

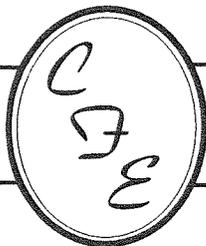
PLACE TAKEN: 201 Howell Avenue
 Brooksville, Florida

REPORTED BY: HOLLY L. KIRCHMAN, RPR; Notary
 Public, State of Florida at Large

APPEARANCES: Thomas S. Hogan, Jr., Esquire and
 Jennifer Rey, Esquire
 The Hogan Law Firm
 20 South Broad Street
 Brooksville, Florida 34601
 Attorneys for City of Brooksville

ALSO PRESENT: T. Jennene Norman-Vacha, City Manager
 Debbie Hogan, Esquire

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P R O C E E D I N G S

1
2 MR. HOGAN: Hearing nothing further on Item
3 D, Westchester, we will move to Item E, which is
4 the City of Brooksville versus Travelers
5 Casualty and Surety Company of America and Chubb
6 Group Insurance Companies. This is a lawsuit
7 that we filed in Circuit Court in and for
8 Hernando County. This suit arises from five
9 bonds that were issued by developers in the
10 Phase I of --

11 MS. REY: For the Southern Hills Plantation
12 and Hampton Ridge project.

13 MR. HOGAN: I was actually going to get that
14 right.

15 MS. REY: All four phases.

16 MR. HOGAN: And it also includes the
17 wastewater reuse plant, which, as you know,
18 you've already bought some parts for and so
19 forth. Procedurally we want to keep that case
20 in State court here in Hernando County, and we
21 filed the case in State court knowing that
22 insurance companies will try to remove the case
23 to Federal Court under a specific statute that
24 allows insurance companies to get special
25 treatment when it comes to litigation and to

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1 remove those cases to Federal Court under a
2 diversity claim.

3 Obviously Travelers and Chubb both do
4 business in the State of Florida, and even here
5 in Hernando County, I'm sure you can find a lot
6 of people that have Travelers Insurance
7 policies. But there is a special statute that
8 allows them to remove cases to Federal Court.

9 Now there are circumstances under which you
10 can require them to stay in State court, and one
11 of those is if they agree to the State court
12 jurisdiction in the contract.

13 Now these bond contracts and these various
14 agreements that support the bond were all
15 entered into back at the time that Southern
16 Hills was just coming out of the planning
17 stages. They go back several years. Now
18 there's language in either the development
19 agreements or --

20 MS. REY: Utility infrastructure agreement
21 or the wastewater facility use agreement.

22 MR. HOGAN: -- that state the jurisdiction
23 is in Hernando County, Florida. It doesn't
24 apply to all the bonds, but it applies to at
25 least three of them.

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1 So what we are arguing is that the bond
2 makes reference to those various agreements.
3 Those various agreements say in part the court
4 has to be in Hernando County. So the Travelers
5 Insurance Company has filed a motion to remove
6 the case to Federal Court. That forces us to go
7 to Federal Court and file a motion to send the
8 case back to State court. We are citing those
9 provisions in the contract that say the court
10 has to be in Hernando County, Florida.

11 I don't know if we'll prevail or not. I
12 just don't know. If we don't, then we'll have
13 to fight it out in Federal Court. The total
14 amount of the bond is 15 --

15 MS. REY: I believe it's approximately 20
16 million.

17 MR. HOGAN: Some of that's been paid, so the
18 claim is actually down --

19 MS. REY: About 15.

20 MR. HOGAN: About \$15 million. It's a lot
21 of money to walk away from. The way this case
22 unraveled was very, very complicated and
23 agonizing at times. We had to make sure that we
24 made a claim on the bond prior to the Greenpoint
25 closing. And we had to -- I had some tough

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1 negotiations in that Greenpoint closing because
2 of the bankruptcy, and we pushed back really
3 hard on them, and we were able to get not only
4 the claim filed prior to the Greenpoint closing,
5 which gives us, you know, a good argument. And
6 we also got it in the contract, if you remember,
7 that making a claim is a condition precedent to
8 the closing.

9 That's important because if Greenpoint had
10 closed prior to our making claim on the bond,
11 then the bonding company would argue that
12 property was sold and, therefore, they're off
13 the hook prior to making the demand. They're
14 going to argue it anyway, but we wanted to have
15 the procedure, everything to fall in the right
16 sequence, which we've done.

17 Now we filed the lawsuit -- first we made
18 the claim and, of course, they didn't write us a
19 check, so we filed the suit. Now they've
20 removed us to Federal Court, which we knew was
21 going to happen. Now we filed a motion to
22 remove -- to move the case back to State court,
23 and that's what's pending.

24 Any time any of you all want to go over the
25 lawsuit, read the lawsuit, just let me know and

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1 Jennifer and I will sit down with you and go
2 over it. It's a very voluminous suit. I forgot
3 how many paragraphs you put in there, but --

4 MS. REY: It's about 22 pages.

5 MR. HOGAN: 22 pages of lawsuit. So it's
6 going to be -- it's going to be a complicated
7 matter. Now I want to discuss what I see as
8 fees, and I'll do that. But first of all let me
9 ask you if you have any questions about the
10 lawsuit itself.

11 MAYOR BRADBURN: Well, you said that they
12 filed to put it back into State court --

13 MR. HOGAN: No; no, they filed to remove it
14 to Federal Court.

15 MAYOR BRADBURN: Remove it to Federal Court.
16 So there is absolutely no chance that it will
17 ever come back to County court.

18 MR. HOGAN: No; no, the opposite. They
19 filed under the statute which allows -- which
20 you're familiar with -- which allows insurance
21 companies to claim diversity, even though --
22 which means difference in citizenship which is
23 normally how you get to Federal Court. They
24 filed under a special statute that says even
25 though you do business in the State of Florida

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1 and you have every appearance of being a Florida
2 company, which normally would require you to
3 litigate in the State of Florida.

4 There's a special statute for insurance
5 companies that says if your headquarters is not
6 in Florida, then you can go, automatically go to
7 Federal Court unless there's contract language
8 for other reasons that you have to stay in State
9 court.

10 MAYOR BRADBURN: Something that you said
11 seemed to indicate something had changed in
12 that. I'm, like, what? So that's why I had to
13 ask for clarity.

14 MR. HOGAN: Nothing's changed. What we're
15 arguing is, because the underlying documents in
16 three of the cases require State court action
17 and the bond makes reference to those underlying
18 documents, our argument is that, therefore, at
19 least three of the bonds require the case be
20 heard in State court, and that for judicial
21 economy, if three of them have to be held here
22 -- or heard here, then all of them should be
23 heard here.

24 We may not win that argument, but we're
25 certainly going to make the argument because

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1 it's much more efficient for you and for us to
2 walk across the street to litigate this matter
3 than it is -- Tampa's not that far away, but
4 still, it's inefficient, and you get a whole
5 different look on life in Federal Court as you
6 know from prior discussion on the previous case.

7 So we're trying to keep it here in State
8 court. It may not be successful. If we end up
9 in Federal Court, then so be it; we'll fight it
10 out down there. But we want to take this chance
11 to try to get it into State court.

12 Now this case -- let me just go a little bit
13 further here. This case on its face factually
14 differs from the case that we previously
15 discussed. In the previous case, the
16 Westchester case, the argument made by
17 Westchester was that, no, this case never --
18 that the construction never started in Phase II;
19 therefore, the City suffered no damages.

20 Now I think that the Court doesn't
21 understand the differences between damages and
22 costs, and we're arguing that on appeal. But in
23 this case, in the Travelers and the Chubb case,
24 you've already got lots of folks already living
25 in there. You've already bought some of the

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1 parts for your water reclamation plant. We're
2 already well down the road in this matter.

3 So this isn't the same as the Westchester
4 case; we've got a much different argument. This
5 is platted, there have been lots of third
6 parties living in the houses, and this
7 infrastructure has to go in. This isn't an
8 option like the Court saw it in the Westchester
9 case. So we have a different case to argue.

10 Now one of the other things that I wanted to
11 discuss tonight with you in that regard is that
12 your ordinance, which is in the process of being
13 amended through the planning -- help me out here.

14 MS. REY: We're revising the land
15 development code.

16 MR. HOGAN: Land development code will be
17 revised once that's all done. This is an old
18 ordinance -- and it's what number?

19 MS. REY: It's 129C3.

20 MR. HOGAN: 129C3 states that the City will
21 make the improvements, bonded improvements, and
22 then seek a refund. Now our argument's always
23 been that's what the ordinance says. However,
24 you can -- contractually you can agree to other
25 terms, which is what the bonding company did.

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1 But what I think that -- and Ms. Rey and I would
2 recommend to you -- is that in the normal course
3 of business in the upcoming months that you
4 continue down the road to complete these various
5 bonding projects. I know you don't have money
6 set aside for it, but you can start your RFP
7 process and get your specs written, and so that
8 way, when we go to court, we can show that we
9 have proceeded as far as we could with those
10 projects up to the point of putting the shovel
11 in the ground because we don't have the money.

12 We didn't do that in the Westchester case
13 because I didn't think that was relevant, but
14 apparently it may be. So that's why in the
15 future you're going to see an RFP on your agenda
16 and you're going to say, "Well, heck, we don't
17 have the money for that." We know that. From a
18 strategy standpoint -- I prefer that we not
19 describe it as a strategy move when we get to a
20 public meeting -- but from a strategy standpoint
21 we need to be moving forward with those
22 projects, and you'll see those on your agenda in
23 the upcoming months.

24 So, any question about the strategy? And
25 I'll discuss the fees with you next.

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1 COUNCILMAN LEWIS: Just one comment. I do
2 remember under the original agreement with the
3 wastewater, the City -- and this could be used
4 in your argument as well, too -- the City is
5 obligated, we have obligated, we have pledged so
6 much wastewater that's treated to that. So we
7 have obligated ourselves for those improvements
8 at the sewer plant. And that's all in writing.
9 And that's to the homeowners and that's the
10 people already living there.

11 MR. HOGAN: I'm doing what I told you not to
12 do with the court reporter.

13 COUNCILMAN LEWIS: Okay. But anything that
14 pertains to that down the line, like those
15 purchase orders and everything else, I think we
16 need to go forward in design, plan, and
17 continuation of it, just like you spoke of,
18 because this is our obligation. And we need to
19 proceed with this and go as far as we possibly
20 can.

21 MR. HOGAN: We pled all that in the pleading
22 and all that. Not only that, but you have an
23 agreement with the Southwest Florida Water
24 Management District as well.

25 COUNCILMAN LEWIS: There's a lot of

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1 agreements and people that we have pledged to
2 and obligated ourselves to.

3 MAYOR BRADBURN: Not only that, I'll go a
4 step further. I mean, we promised the public we
5 would have reuse. We promised the public we
6 would have reuse.

7 COUNCILMAN LEWIS: Sure; uh-huh.

8 MS. REY: You also have a supplemental
9 agreement with Hernando County with regard to
10 transportation concurrency requirements. That
11 was referenced in our complaint as well.
12 Because your obligation on transportation
13 concurrency is part of your settlement with the
14 County, it's a comp plan issue.

15 So there are some third party implications
16 for the City if it's not in a position to be
17 able to meet its obligations under the existing documents.

18 MAYOR BRADBURN: Certainly legally and
19 otherwise, those requirements are well-
20 documented.

21 COUNCILMAN LEWIS: Sure. And even
22 infrastructure, we've got infrastructure, we've
23 got infrastructure in the ground, it's already
24 been put in the ground, reuse pipes are buried
25 all the way to Southern Hills and put in the

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1 ground. We had to acquire right-of-ways, we had
2 to go through eminent domain procedures, so it
3 involved a lot of effort, staff time, City time,
4 planing time, agreements with SWFWMD for
5 reimbursement for part of the pipes that was put
6 in the ground for the reuse.

7 So any of those contracts and obligations
8 can be tied in to show our good faith and our
9 good of moving forward, I believe, like that.

10 MS. REY: And that's part of the discussion
11 between the distinction of the 20 million, which
12 is the penal sum of the bond, and the 15
13 million. Prior to the principal declaring
14 bankruptcy, they had completed some
15 improvements, but they never sought a reduction
16 in the bond to reflect those improvements.

17 So that's where the distinction between the
18 penal sum of the bond amount and what may be the
19 legitimate claim under what's not completed.

20 COUNCILMAN LEWIS: Thank you. That's all I
21 have, ma'am.

22 MR. HOGAN: Any other questions about the
23 merits of the case? Okay. I would like to move
24 to discuss fees. I know that our fees, what you
25 paid in legal fees this last year is high. Some

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1 of that, you know, was not to our firm; some of
2 that was for other attorneys, including the
3 bankruptcy counsel in the Hampton Ridge Crescent
4 bankruptcy to try to make sure those dominos all
5 fell in the right order for us to make a claim
6 on the bond. And those attorneys are, you know,
7 I'm sure they're very good, they are very good;
8 they're also very expensive, especially when
9 compared to our firm.

10 But you guys have paid us a lot of money as
11 well. So I'm looking at the upcoming year with
12 these two cases with Travelers and Chubb. I
13 went back and looked at what you paid so far
14 with Westchester, and the Westchester fees, not
15 including costs, but fees were up to \$53,912.

16 Now I would be -- we would be, Jennifer and
17 I would be willing to take the Travelers and the
18 Chubb case on a contingency fee if -- which
19 means if we win or whatever or we settle for an
20 amount of money, we would be paid a percentage.
21 If we lose, then we don't get paid.

22 It's a risk to us because the Westchester --
23 it's a reward to us if we were to be successful.
24 There is a model for this established by the
25 Attorney General's Office, as you know -- I'm

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1 sure you know that the Florida Statutes describe
2 contingency fee work at 33 and a third. The
3 Attorney General's Office has a model that's 25
4 percent. We'd adopt that model if that's your
5 desire.

6 The City would still pay the costs, which
7 there won't be a lot, but there will be court
8 reporters and subpoena fees and things like
9 that. But not paying any legal fees, the legal
10 fees would come out of the recovery, if there is
11 one.

12 It's up to you. I'm not advocating either
13 position. It's a risk to us. It's a potential
14 reward to us. It could be a big reward to us or
15 it could be a total loss to us, meaning the law
16 firm when I say us.

17 But I think we've earned every penny that
18 we've billed you, I know we have, over the
19 years. We're very conservative in our billing,
20 and you get a taste of that whenever you hire
21 outside counsel. You can see we're pretty
22 efficient. But it's still, you know, it's still
23 -- your budget line item for legal fees has gone
24 up. I'm aware of that; I'm sensitive to that.

25 And, so Jennifer and I discussed this to see

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1 if there's any way we can handle this case
2 differently. Now I suggested to her that maybe
3 we can take this case on a contingency fee. The
4 way that our firm works, of course, you know,
5 this would affect her income directly, good or
6 bad. And, so we decided to, you know, put that
7 on the table so we can discuss it and you can
8 give us some direction.

9 If you were going to do that, what I would
10 recommend if you're going to do it is that we
11 would send -- the law firm would send the City a
12 memo that will describe the contingency fee
13 arrangement with a suggestion that the City
14 Manager -- if I get a flavor for that tonight --
15 that you would direct the City Manager to amend
16 that part of our contract and allow this case to
17 be handled on a contingency basis.

18 You would put that on the consent agenda and
19 then you would vote on it. You have a great
20 deal of -- with what's on tonight, you have a
21 great deal of discussion in the public forum,
22 then you're going to get into the strategies of
23 the case, there's no way to avoid it. So that's
24 why I wanted to discuss it with you tonight in
25 the executive session. So --

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1 COUNCILMAN LEWIS: Mayor, I'll start this
2 off. I don't have any problem with a
3 contingency because I'll tell you why. Number
4 one, right now, we're looking at zero. We don't
5 have any of that. We're not guaranteed any of
6 that money from this bond issue. We don't know
7 if it's going to be productive or if it's not
8 going to be productive. We don't know how
9 involved it's going to be.

10 We know it's been quite a lot already. And
11 if it continues on this road, it could be well
12 into six figures or more and continue above
13 that. I don't have a problem with that. I
14 would like to see as much recovered for the City
15 as we possibly can. I think that is the
16 strategy of this Board as a Council. I think
17 the Board has said this from day one.

18 I believe that this is all going to be a
19 super learning lesson for all the Council here,
20 how we look at any kind of agreements in the
21 future and/or bonding issues and requirements
22 and what we have to do to make sure that we are
23 protected. Before you felt you were getting a
24 bond; you felt this was insurance. It was
25 almost like life insurance. If you die the

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1 policy was paid. If it failed it was paid.

2 But it doesn't seem to work that way on
3 these bonds and these surety bonds and these
4 penal bonds and other names they have.

5 MR. HOGAN: Well, this case -- in this case
6 the -- not guarantor, but Duke Energy --

7 MS. REY: It's the guarantor on the bonds.
8 The surety company for two of the bonds is
9 Travelers and for the other three is Chubb. But
10 the guarantor behind all five bonds is Duke
11 Energy.

12 COUNCILMAN LEWIS: Duke Energy's got the
13 money.

14 MR. HOGAN: So what that means is that Duke
15 Energy is actually on the hook for this because
16 they're the indemnitor, is the word I was
17 looking for. They have to indemnify Travelers
18 and Chubb. So when this case is -- whoever wins
19 it in round one, I suspect there's going to be
20 an appeal, so this case is going to go on for
21 several years. And I can't -- you know, I don't
22 know, but I'm predicting that it's going to cost
23 over \$100,000 a year in legal fees --

24 COUNCILMAN LEWIS: Oh, yes.

25 MR. HOGAN: -- is my guess because you have

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1 two Defendants, they're going to be ripping us
2 in two different directions, they're going to
3 tag-team us.

4 COUNCILMAN LEWIS: They're going to tie you
5 up as long as they can, and they're going to
6 hold it in court and hope you come in with some
7 low-ball that they can possibly accept and make
8 some kind of agreement between the two parties.

9 MR. HOGAN: Right. What we did is, we filed
10 it -- we filed one case naming them as co-
11 Defendants because that's the most efficient
12 manner. Now they're going to try to separate it
13 into two separate cases, and I guarantee, you
14 know, over the years they'll be scheduling
15 depositions at the same time on the same day in
16 two different cities and they'll pull all kinds
17 of stunts on us, if they get it separated.

18 We're arguing for judicial economy that it
19 be one case.

20 COUNCILMAN LEWIS: Question. Is Duke Energy
21 one of the Defendants?

22 MS. REY: No.

23 COUNCILMAN LEWIS: But they're just the
24 guarantor.

25 MR. HOGAN: That's how it works. You have

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1 to sue the bonding company. We just happen to
2 know that --

3 COUNCILMAN LEWIS: The guarantor has to make
4 the bonding company whole --

5 MR. HOGAN: Correct.

6 COUNCILMAN LEWIS: -- at the end.

7 MS. REY: If the case is decided against the
8 surety and the surety has to make a pay-out, the
9 surety would then go to the guarantor to seek
10 indemnification.

11 COUNCILMAN LEWIS: That was the way it was
12 explained in the original agreement. In doing
13 the background check when they first came here,
14 that was the first thing I checked into, was
15 Duke Energy and their assets. And I'll be
16 honest, that was why I supported the original
17 agreement, because Duke Energy had the money and
18 they had the financial stability as the
19 guarantor for this behind it.

20 And it wasn't like he was looking at
21 somebody who's going out there with a \$20
22 million budget and they had \$20,000 to do it.
23 They had the money, the assets, hundreds of
24 billions literally.

25 MR. HOGAN: Now the reason that we can't sue

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1 Duke is we don't have a contract with Duke.
2 We're not in contract with Duke. I will tell
3 you that what we learned from our -- your/our
4 bankruptcy counsel is that Crescent right before
5 the bankruptcy got a huge line of credit. How
6 much was it, do you remember?

7 MS. REY: I want to say it's about two
8 billion.

9 MR. HOGAN: \$2 billion. Duke drew down on
10 that line of credit, okay, I don't know, close
11 to two billion, and then had Crescent file
12 bankruptcy. So there is a huge lawsuit going
13 on. The trustee in the bankruptcy court has
14 sued Duke to recover those funds.

15 COUNCILMAN LEWIS: I would say so.

16 MR. HOGAN: So we're going to be --

17 COUNCILMAN LEWIS: Being in the --

18 MR. HOGAN: But by comparison we're in that,
19 but they're still not going to let, you know,
20 whatever it may be, a million dollars, millions
21 of dollars go without a fight. So this is going
22 to be a tangled web. And I don't know --

23 COUNCILMAN LEWIS: I personally think that
24 this is the best possible way for us to proceed,
25 being that this is going to be a long

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1 litigation, and I can see just from what I heard
2 tonight that it's going to be several years and
3 could be longer than that by being tied up in
4 court, depending on whether or not they're even
5 able to split it.

6 I don't have a problem with having the law
7 firm work on a contingency. I think the City
8 could cover the costs, court reporters, filing
9 fees, and stuff like that. But as far as the
10 legal fees, they could be astronomical. They
11 could be quarter or a half million dollars
12 before something like this was settled very
13 easy, and to put the City in a situation like
14 this.

15 And as far as our legal fees, I realize they
16 were high. I looked at them, scrutinized them,
17 and I will say for the record, I called you
18 guys; you didn't call me. Hogan and Hogan, for
19 the Council.

20 COUNCILMAN BURNETT: I will say ditto on
21 that working on a contingency with the
22 understanding that we use the attorney with the
23 model of the 25 percent. And I also, I would
24 like to say -- and if I'm out of order, Ms.
25 Chairman, I'll shut my mouth -- but when we

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1 hired the Hogan Law Firm, we recognized that we
2 had some serious problems to deal with.

3 And I kind of understood then that the
4 normal rate that we used to pay all those other
5 lawyers, because of tough times, go back in
6 there, look at procedures and policies that we
7 had. And even one came up here tonight that was
8 so long on the book. If it wasn't on the book,
9 we probably wouldn't even be having this
10 discussion.

11 So I personally know that the Hogan Law Firm
12 have put in a whole lot of hours and
13 straightened out a whole lot of things and kept
14 us kind of out of trouble for changing those
15 policies and procedures, and they continue to do
16 it. And even when I look at the financial
17 statement for what they are charging us for, it
18 is not bad at all. You can see that the Hogan
19 Law Firm have the City of Brooksville in its
20 interest, growing up around here and climbing
21 up, because the average law firm wouldn't even
22 charge us that little bit of money.

23 Yes, when you look over the years, have we
24 spent more for an attorney? Yes. But also we
25 had said that we preferred, instead of getting

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1 us a lawyer with a specific background, a law
2 firm that have different lawyers that can just
3 about handle everything we have.

4 Well, you have to pay for that. So, Mr.
5 Hogan, I can share with you, I don't think
6 personally -- and, yes, the fees went up. But
7 you didn't overcharge us, and I appreciate you
8 for the work that you have done on behalf of the
9 City.

10 MR. HOGAN: Thank you very much.

11 MAYOR BRADBURN: Mr. Bernardini?

12 COUNCILMAN BERNARDINI: As you go about the
13 process, are you then going to have to hire
14 specialty lawyers?

15 MR. HOGAN: If we take this on a contingency
16 we'll have to pay them.

17 COUNCILMAN BERNARDINI: You will. That's
18 not part of the fee that you said we'd pay?

19 MR. HOGAN: No, the cost is the hard cost.
20 I'm talking about copying or -- of course, we
21 don't charge for that, so that's not a good
22 example -- but court reporters. We may --
23 there's a possibility we would have to hire an
24 economist or something, but I don't really see
25 that. The Westchester did in their case; they

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1 hired a professor from the University of Florida
2 that came in and talked about what population
3 projections were going to be.

4 None of that became relevant in the final
5 analysis. So I don't think this case will have
6 a lot of costs in it. And I'm, you know, I
7 could go either way. If you say, "I don't want
8 a contingency fee," I'll kind of go (indicating
9 sound). Because to be blunt, I've still got to
10 pay Jennifer either way. She expects to get
11 paid, and rightly so.

12 Now if we hit a homerun with this, we'll
13 make a lot of money, and you all might be
14 criticized for it. We might be criticized for
15 it. So that's the reason I wanted to discuss
16 it. If we don't, if we have to -- you know, if
17 we don't prevail and we have to eat all those
18 fees, then the other folks in the law firm are
19 going to look at me like I'm the crazy old man
20 that I am.

21 But -- so we've got a risk either way,
22 Councilman, that's why I wanted to have the
23 discussion. I wanted to see which way you all
24 wanted to go. And either way is fine with me.

25 COUNCILMAN BERNARDINI: Now is it 20 percent

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1 or 25?

2 MR. HOGAN: 25.

3 COUNCILMAN BURNETT: 33 and a third on the
4 regular market.

5 MR. HOGAN: Right. The rules and the
6 statutes allow for contingency fee work to be 33
7 and a third percent, or if you go to trial, it's
8 40 percent. We are going with the Attorney
9 General's policy, which is 25 percent. One of
10 the reasons that we're doing that is because,
11 one, I think it's the right thing to do. And,
12 two, we're asking you to pay the hard costs,
13 which is the court reporters and those kind of
14 things like that.

15 COUNCILMAN LEWIS: One good example for the
16 record might be a small city just like
17 Brooksville. A lot of cities might feel, well,
18 because of the exorbitant fees that will be
19 involved and many years of litigation, they
20 would just have to drop us entirely. So you
21 would have absolutely zero chance of any
22 recovery. And I feel this way we do have a
23 chance of recovery, we have a good chance of
24 recovery, and we're pursuing it.

25 We have seen these other ones through

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1 diligent, hard work that it is possible to be
2 successful. And we're also learning, like I
3 said earlier, what we have to do is what we have
4 to put in these agreements and these bond issues
5 and what we require and these agreements with
6 CEDs and PDPs and these different plats that
7 come out in the future. And future
8 councilpeople that are sitting here and
9 scrutinize each and every word that's put in
10 those agreements.

11 So it's failsafe, for lack of a better word.
12 So if you do have to take it in court and
13 litigate it, you've already got some basis where
14 you can use something that you've done before
15 and have a basis and a -- I won't say a diagram,
16 but you'll have a model that you can work from
17 in future agreements, whether it be water,
18 sewer, wastewater, or whatever for these.

19 But I don't have a problem with it at all.
20 I would be very supportive of it. And I think
21 it's a way for the City to proceed, and if
22 anybody would ever stop me and question me, I
23 would say, "Wouldn't you rather have 77 percent
24 of something, or would you rather have zero of
25 nothing?" And that's what the City would end up

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1 with and the taxpayer would end up with
2 basically.

3 And if the Council so sought tonight to say,
4 "We want to drop this," that would be absolute
5 zero. And we're not spending the taxpayers'
6 dollars other than some nominal expenses, which
7 I understand that to have a court reporter, to
8 have the filing fees for the court, and
9 different fees involved, I don't have any
10 problem with that.

11 That's just the cost of doing business.

12 MR. HOGAN: Just so we're all clear, I
13 thought, and I still think, that the City should
14 have won the Westchester case.

15 MAYOR BRADBURN: We will.

16 COUNCILMAN LEWIS: I think we will.

17 MR. HOGAN: Well, an appeal is an uphill
18 battle because the Appellate Court goes in, they
19 open the file. There a presumption, the
20 presumption is that the lower court was correct.
21 You've got to overcome that presumption. I
22 don't know what the statute -- or the statistics
23 were, do you?

24 MS. REY: I do know that your rate of
25 overturning, particularly in the 11th Circuit,

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1 is very small compared to other circuits. They
2 are not predisposed to overturning the lower
3 court's position.

4 MAYOR BRADBURN: Well, you know, let me just
5 remind everyone. We're carrying the banner for
6 the entire State here. That's one thing we have
7 to keep in mind. Little Brooksville, you know,
8 we're the David that's going to slay Goliath.
9 If we lose, every city and county in the State
10 loses. We cannot lose. And once that is
11 clearly presented to a court, I don't know what
12 court would be foolish enough to not see the
13 reason behind what we're doing here.

14 They have to rule in our favor. And -- do
15 you have a couple more things to say before I
16 continue? Go ahead.

17 MR. HOGAN: First of all, let me just
18 interject this. If this case goes to the
19 Florida Supreme Court or if it's heard in
20 Atlanta, if we get oral argument, I would
21 encourage you to attend. The City Manager
22 attended the oral argument in Westchester, and I
23 don't think we left any stone unturned. I think
24 that Jennifer did a great job. I'm very proud
25 of her and what she did, the way she argued it

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1 and the briefing. I just think that it was a
2 ruling that I don't understand.

3 Now the reason I'm saying this is because I
4 think we have a good chance to win the case. I
5 don't think it's a meritless case. So when I
6 say we'll take a risk on it as a law firm, yes,
7 it's definitely a risk. Any time you go to
8 court you're rolling the dice, and anybody
9 that's been around knows that.

10 But I think we have a good argument, and I
11 think it can be distinguished from, even from
12 the Westchester case that I thought was a good
13 case. So as a business -- from a business
14 standpoint, I think we'll win. I think we will
15 get paid. And that's one of the reasons I'm
16 willing to take the risk.

17 So I don't want there to be any
18 misunderstanding about that. I think it will be
19 some years down the road, but I think we'll
20 prevail. So I'd like for you all to give me
21 some input and give me some direction.

22 MAYOR BRADBURN: Well, if I can make a
23 little input here right now. Well, first of
24 all, let's for clarity sake, when you're saying
25 contingency, you're referring to just Travelers,

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1 not Travelers and Westchester.

2 MR. HOGAN: No, I'm talking about just
3 Travelers and Chubb.

4 MAYOR BRADBURN: Okay. I just wanted to
5 make that clear. You know, I'm sure you guys
6 all remember Alfred McKethan, and you can love
7 him or hate him, he did a lot of great things
8 for our community. He did a lot of things
9 individually we might not agree with, but
10 overall he did a lot of great things for our
11 community.

12 And he used to have a saying, he said,
13 "What's good for Hernando County is good for
14 Hernando State Bank." You know, what's good for
15 the City in regards to this case is going to be
16 good for the Hogan Law Firm as well, you know?
17 We know that up front because we have confidence
18 in their abilities and I have confidence that
19 we'll prevail.

20 You know, by the same token, if we prevail
21 -- excuse me, when we prevail, we'll have a
22 strong chance of getting -- recouping those
23 legal fees as well, is that right?

24 MR. HOGAN: The statute -- the statute
25 allows for the recovery of attorney's fees in

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1 that case. There is a somewhat complicated
2 method of doing that, but it involves taking all
3 of our hours, totalling them, having it reviewed
4 by several other lawyers, they assign what they
5 think the value was, then you go to -- you have
6 to go back before the judge who decides if
7 that's a reasonable fee.

8 That number may not match what a contingency
9 fee number would be. Could be higher, could be
10 lower. Yes, to answer your question, yes, you
11 have a chance to recover reasonable fees.

12 MAYOR BRADBURN: And then the second
13 important thing to remember is that had we had
14 competent legal counsel, we wouldn't be in this
15 mess, you know?

16 MR. HOGAN: I think you're referring to
17 something prior to us.

18 MAYOR BRADBURN: Prior to the Hogan Law
19 Firm, make that clear.

20 COUNCILMAN BURNETT: Make that clear,
21 please.

22 MAYOR BRADBURN: Obviously if someone was
23 looking out for the City's best interest when
24 these original agreements were put in place when
25 we had -- when we developed the old development

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1 code, when we developed the old development
2 agreement, the bond agreement, we wouldn't be in
3 this mess today.

4 Councilman Burnett spelled it right. You
5 know, we took on a mighty load, and we had a lot
6 of problems to correct when we came on board,
7 and little by little we're whittling that list
8 down. But the consequences are still there, and
9 this is a prime example of that. And we're not
10 out of the woods yet; we've got a lot more work
11 to do.

12 MR. HOGAN: Can I interject something?

13 MAYOR BRADBURN: Sure.

14 MR. HOGAN: Sorry to interrupt your train of
15 thought, but -- and I appreciate very much what
16 you're saying, Mayor. Let me also say that I
17 think it was reasonable for previous councils,
18 City councils, to rely on the fact that the bond
19 said what it said. And even the judge, Judge
20 Merriday in the Westchester case, starts off his
21 opinion by saying that the bond is a contract
22 and should be upheld. 20 pages later we lost,
23 but it took him 20 pages to get around it.

24 So I agree with you, and I appreciate what
25 you're saying.

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1 MAYOR BRADBURN: I'm not discounting the
2 fact that, you know, bonds should have been
3 relied upon. I'm not discounting that at all.
4 And still today that's the foundation of this
5 case and should be and always will be, you know?
6 That's why we have them.

7 But at the same time, when we have
8 contradictions in our own policies and
9 ordinances, when we had agreements that weren't
10 always to the City's best long-term interest or
11 short-term gain, that's something that elected
12 members of the body can't always foresee; we
13 rely on others for that. I've never been shy
14 about saying that in the past.

15 And, you know --

16 COUNCILMAN LEWIS: Mayor, if I might
17 interject, I've never been shy about saying it,
18 I had a lot of heartburn. I think everybody
19 knows the heartburn I had with the previous
20 legal experience and legal counsel. Not to call
21 any names, but I was highly disappointed with
22 the type of legal advice I was getting, guidance
23 that I was getting, answers that I was getting.

24 I don't claim to be a lawyer, but I do claim
25 common sense. I did have the privilege -- in

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1 fact, my wife and myself, we drove to Daytona
2 Beach to the Court of Appeals to watch previous
3 counsel present his brief to the Appeals Court
4 concerning Township 22. And I'll tell you --
5 and I'll say it for the record -- it was a joke.
6 I could have got up there as a layperson and did
7 a better job. And I'm not bragging.

8 But that's how disappointed I was. I walked
9 out of there, and my wife's first comment to me
10 was, "I don't believe what just happened." And
11 the County, of course, their attorney just
12 literally had the floor and took it and run with
13 it. And I was highly disappointed and I was
14 shocked that there was no preparation, I might
15 say, or expertise put into it like I thought
16 there would have been.

17 And that was one of my concerns. And it
18 took a while for it to change, Mayor, but I kept
19 after it.

20 MAYOR BRADBURN: But the bottom line here
21 is, bonds should be relied upon. You know,
22 regardless of any weakness we may have in
23 anything else, bonds must be relied upon.

24 COUNCILMAN LEWIS: It's like a guarantee.

25 MAYOR BRADBURN: It is a guarantee.

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1 COUNCILMAN LEWIS: I thought it was.

2 MAYOR BRADBURN: So having said that, in
3 regard to legal services, you get what you pay
4 for. You know, I've had good lawyers and I've
5 had not-so-good lawyers. And you get what you
6 pay for.

7 So with that I don't have a problem with the
8 contingency. I think that's a very, very
9 generous offer on both of your parts. You know,
10 if we break you in the meantime, Jennene will
11 feed you. They won't want my cooking. But it's
12 an extremely generous offer, both professionally
13 and privately. I think that it's just a win-win
14 offer for the City. I would support it.

15 And, yeah, I can imagine when we win, we're
16 going to take a beating, and that's my reference
17 to Alfred McKethan; even when he did good things
18 for the community, he took a beating. It
19 doesn't matter. Just expect it; it's going to
20 happen. Big deal.

21 MR. HOGAN: Councilman Bernardini, any
22 direction or faults or --

23 COUNCILMAN BERNARDINI: Well, if you look at
24 the contingency part, most people say they try
25 harder because they don't get paid if they don't

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1 win. On the other hand, if we went the other
2 way -- not this firm, but I'm just going in
3 generalities -- that a person could know that
4 they're going to get paid hourly, so they just
5 drag it on and on and on and on because they
6 know there's a steady paycheck to go with this.
7 So, you know, you can do it that way.

8 I think probably under this plan we're going
9 to get the biggest bang for our buck because
10 we're going to pay it one way or the other if we
11 continue down that path. Or as Richard said, we
12 can just say forget it and go someplace else and
13 do something.

14 I think that, you know, your firm and part
15 of, you know, the amount of money that we're
16 paying out for attorney's fees, but we're doing
17 stuff. You know, there's a lot of stuff going
18 on; we're accomplishing a great deal, so when
19 you do that, you've got to expect to pay. It's
20 not free.

21 And as the Mayor said, of course, you pay
22 what you get for -- you get what you pay for.
23 Sometimes it don't always work that way because
24 I personally think sometimes I pay more and I
25 didn't get what I thought I should have gotten.

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1 But that's all part of the court system, right?
2 I mean, when you go there you're not guaranteed
3 you're going to win and get everything that you
4 want.

5 But who do you blame then? Do you blame the
6 person that was there representing you or what?
7 But that's the only person you have to blame.
8 So I think that, you know, the Hogan Law Firm
9 has done a good job for the City. We're doing a
10 lot of things we haven't done before. When you
11 do that, you can expect the fees to be higher
12 than normal when you're just doing a -- you
13 know, I think the City used to work on, "Let's
14 just do what we have to do" --

15 MAYOR BRADBURN: To get by.

16 COUNCILMAN BERNARDINI: -- "and get by."
17 And I know that when we got into this agreement
18 with the people we're having problems with now,
19 I wanted to go to a third party to look over our
20 agreements to see, you know, we had the City, we
21 had them, just a third party to look over that
22 and see how -- who was getting the best deal and
23 if it was fair to everybody. And, of course, I
24 got out-voted on that.

25 So who knows what we could have found had we

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1 gone to that third party. Maybe nothing, maybe
2 we wouldn't be in this little bit of mess that
3 we're in. But I think that your offer is good
4 in my book, and hopefully, like you said, you're
5 thinking you're going to win or you wouldn't be
6 so quick to offer that.

7 MR. HOGAN: It wasn't quick.

8 COUNCILMAN BERNARDINI: Well, I shouldn't
9 say quick. But, then again, you thought we were
10 going to win the other one, too. And as the
11 Mayor said, it's a contract, and even the judge
12 said in the beginning, like you said, it's a
13 contract and it should be held to those
14 obligations, but 20 pages later he said, "I
15 don't think so." I don't understand that
16 myself. But I agree with it.

17 MAYOR BRADBURN: And if I can just say one
18 more thing. You know, I am very glad that we
19 have the Hogan Law Firm on board. I have to --
20 I want to tell you this while Jennifer's sitting
21 over there. We are very, very fortunate to have
22 Jennifer on the team and the amount that she is
23 able to accomplish with such expediency and
24 wisdom. I'm very proud of the job she's doing,
25 and I can't wait to see where we'll be in two

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1 years with her here.

2 MR. HOGAN: I hope she's still here and I
3 hope Joe and I are watching it on TV.

4 COUNCILMAN LEWIS: Mayor, I think when this
5 is all settled and done and everything
6 successfully and completed, I think the best
7 thing for any questions -- and, like I said, the
8 way to handle it would be an education to the
9 public. And just a mere explanation that we
10 were able to recover 75 percent and in anybody,
11 that's outstanding.

12 MAYOR BRADBURN: And potentially more with
13 legal fees reimbursement.

14 COUNCILMAN LEWIS: And this 75 percent that
15 we're recovering is for the future of the City
16 of Brooksville because these agreements, these
17 bond issues, these service agreements, was all
18 based on the infrastructure, development, not
19 only for these projects, but also for the
20 surrounding area. And it concerns the area that
21 was bonded.

22 But if you take that out of the equation
23 when you don't have that, then the other ones
24 are all lacking as well. So it was a complete
25 package that you're looking at for growth and

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1 for development and for the future of
2 Brooksville. And I'm talking 20, 25 years down
3 the road.

4 We just had a parcel that came into the
5 south, Mr. McAteer's parcel down on Powell Road,
6 very nice piece of property, for future growth.
7 It's now in the City. And I'm sure it's going
8 to be a wonderful development some time in the
9 future when the economy turns around. And these
10 are things that we want to be aware of, and it's
11 a learning lesson.

12 But I'm totally 100 percent supportive.
13 Thank you. That's all.

14 MR. HOGAN: The way that I would propose to
15 do this is to send you a memo -- we would send
16 you a memo that -- recommending that you
17 authorize the City Manager to enter into that;
18 that we not have a great deal of discussion not
19 at this meeting tonight but at the next meeting.
20 You don't have a great deal of strategy
21 discussion at that meeting. If you want to
22 discuss strategy or anything about it, we would
23 reconvene an executive session.

24 That's all -- unless there's anything else,
25 that is what we had for tonight.

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1 COUNCILMAN BURNETT: Just one last thing,
2 Madam Mayor and Council members. I have found
3 out that the Hogan Law Firm has a very good
4 staff. Everywhere I go -- I travel Sumter
5 County most of the time -- everybody ask me, "Do
6 you know the Hogan Law Firm?" "Yes, I do."
7 "Well, you got good representative. We never
8 had this type of representative over here in
9 Sumter County in a long time."

10 So I hear that name all the time, and I'm
11 very pleased to say that they do have good
12 staff, and we're so pleased to have them and Ms.
13 Jennifer with us.

14 MR. HOGAN: I'm sure I'll hear about this
15 when we have annual pay raise. We are fortunate
16 to represent Sumter County, Port Richey, and
17 Crystal River. That gives us a lot of synergy.
18 We meet every Friday morning, all the attorneys,
19 and discuss issues, and it gives us a lot of
20 brain power on these type of topics, so thank
21 you. And we really enjoy representing the City.

22 A lot of challenges, but we feel like -- we
23 feel like over the last few years the City's
24 really moved forward, and we feel like we're a
25 part of that team, so we like it.

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That's all we have now, Mayor.

MAYOR BRADBURN: All right. If there's no further business for this executive session, we will adjourn, take a break, and readjourn as council reconvenes.

(Whereupon, the executive session in its entirety was concluded at 7:17 p.m.)

COURT CERTIFICATE

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STATE OF FLORIDA

COUNTY OF HERNANDO

I, HOLLY L. KIRCHMAN, Registered Professional Reporter; Notary Public, State of Florida at Large, certify that I was authorized to and did stenographically report the foregoing proceedings and that the transcript is a true and complete record of my stenographic notes.

DATED this 11th day of April, 2011.

Holly L. Kirchman
HOLLY L. KIRCHMAN, RPR; Notary
Public, State of Florida at Large

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9/17/12

ORIGINAL

CITY OF BROOKSVILLE
CITY COUNCIL
EXECUTIVE SESSION

PROCEEDINGS: Executive Session Re:
City of Brooksville v. Travelers
Casualty and Surety Company of
America and Chubb Group
Insurance Companies (Federal
Insurance Company)
Case No. 8:10-cv-2380-T-27AEP

DATE: December 6, 2010

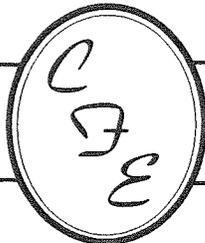
PLACE: 201 Howell Avenue
Brooksville, Florida

REPORTED BY: C. GAIL DONATO, RPR
Notary Public - State of
Florida at Large

APPEARANCES: THOMAS S. HOGAN, JR. ESQUIRE
JENNIFER REY, ESQUIRE
DEBBIE HOGAN, ESQUIRE
20 South Broad Street
Brooksville, Florida 34601
Counsel for City of Brooksville

COUNCIL MEMBERS:
FRANKIE BURNETT, Mayor
JOSEPH E. JOHNSTON, III
Vice Mayor
LARA BRADBURN
JOE BERNARDINI
EMORY PIERCE

STAFF: T. JENNENE NORMAN-VACHA
City Manager



Carolyn F. Engel & Associates

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309 South Main Street - Brooksville, Florida 34601

(352) 754-1182

P R O C E E D I N G S

1
2 MR. HOGAN: The next matter that we have
3 is the City of Brooksville versus Travelers
4 Casualty Surety Company of America and Chubb
5 Group Insurance Companies, Federal Insurance
6 Company, Case Number 8:10-cv-2380-T-27AEP,
7 United States District Court in and for the
8 Middle District of Florida, Tampa Division.

9 We have a couple of issues that we wanted
10 to bring to your attention tonight in the
11 executive session with regard to that case.
12 The first is to update you on where we are
13 with the case, and then we will talk about
14 whether or not you want to proceed on that
15 case in a contingency fee arrangement. So,
16 Jennifer, if you want to talk about where we
17 are in the case and I'll talk about the fees.

18 MS. REY: We filed a complaint in Circuit
19 Court. Both sureties issued a notice to
20 remove the matter to Federal Court. They
21 were assigned to two separate judges. Since
22 then they have been transferred to a single
23 judge. Both cases are now with the same
24 judge. In the meantime, we have filed a
25 Motion to Remand to Circuit Court based on

1 some allegations in the complaint with regard
2 to jurisdiction limitations that are in the
3 bonds themselves or the underlying
4 agreements.

5 And we will have an upcoming case
6 management conference to set out the time
7 line for this particular litigation in terms
8 of discovery schedule, depositions, potential
9 witnesses, and those details. That's the
10 update of where we're at.

11 MR. HOGAN: Any questions about the
12 status of the cases?

13 COUNCILWOMAN BRADBURN: Yes, sir. Has
14 the Court indicated when they will rule on
15 the remand?

16 MS. REY: No. With federal court we file
17 a motion. The rules prescribe the time with
18 which opposing counsel has to file a
19 response. Both Travelers and Federal have
20 filed responses to our Motion for Remand, and
21 there is generally no time line. There's an
22 opportunity for oral argument, but there's
23 also an opportunity that the magistrate may
24 rule on the pending motions, make a
25 recommendation to the judge.

1 COUNCILWOMAN BRADBURN: Without oral
2 argument?

3 MS. REY: Yes. It is within their
4 discretion to grant oral argument or not.

5 COUNCILWOMAN BRADBURN: Would it be
6 possible -- and I don't know how this works.
7 Is a judge -- can we say, "Hey, Judge, can we
8 talk to you?"

9 MS. REY: We can make inquiries as to the
10 status of a matter. What happens is that a
11 copy of the docket is pulled and placed on
12 the judge's desk. That's the extent of --

13 COUNCILWOMAN BRADBURN: Strategically,
14 would that be advisable?

15 MR. HOGAN: Well, you know, if too much
16 time went by, we've done that before in other
17 cases, but it doesn't -- you're not going to
18 move a federal judge. They're appointed for
19 life, and they're not swayed by your concerns
20 for time.

21 COUNCILWOMAN BRADBURN: It's not so much
22 the time. It's that it's one thing to rule
23 on something that you're reading on paper.
24 It's quite another to rule after you've heard
25 oral arguments.

1 MR. HOGAN: We've requested oral
2 argument. We do that routinely, but the
3 judge, federal judges especially, view it
4 with great importance to remain apart from
5 the influences of the litigants, and that's
6 probably a good thing. And so there is no
7 way for us to communicate further with a
8 federal judge with reemphasizing whether or
9 not we want oral argument. There's no way to
10 get to them, and that's probably the right
11 way to do it.

12 COUNCILWOMAN BRADBURN: Right.

13 MR. HOGAN: Yes, sir?

14 COUNCILMAN PIERCE: The Chubb Group
15 Insurance, this bond is the one that's
16 primarily for the sewer plant completion?

17 MR. HOGAN: Is that how they're
18 separated?

19 MS. REY: Yes. The wastewater treatment
20 bond is with Federal Insurance Company.
21 There is another bond. There are five in
22 total.

23 COUNCILMAN PIERCE: Okay. But the other
24 four are for various infrastructure items out
25 in the old Southern Hills Plantation Phase,

1 you know, on and on and on?

2 MR. HOGAN: These are the I, II, III and
3 III-A, if I'm not mistaken.

4 MS. REY: Yes, the Phase I bond does
5 include the utility infrastructure that's not
6 only within the development, but the water
7 main connection.

8 COUNCILMAN PIERCE: The off site?

9 MS. REY: The off site improvements.

10 COUNCILMAN PIERCE: What is it that we
11 really need inside Phases I, II, and III-A?
12 Those are just essentially the vacant land.
13 If we got the money, then we would become
14 developers. Tell me if I'm wrong. We would
15 become developers and we would be putting in
16 more infrastructure to build more -- to have
17 more lots readily available, which is about
18 the last thing that this county needs right
19 now. Or if we got this big pot of money, if
20 we got this big pot of money, wouldn't it be
21 somewhat restricted to doing what the bond
22 was supposed to be for? So we couldn't, you
23 know, pave roads or anything with it.

24 MR. HOGAN: Yes. It's probably not --
25 it's probably not a -- you're probably not

1 winning the Lotto if you win this case. The
2 bonding company has the option to come in and
3 complete the infrastructure or complete the
4 bonded projects or fund that construction.
5 One of the dilemmas in this case, Councilman,
6 is that this is a fully platted subdivision
7 and so the infrastructure has been by
8 ordinance, at least implied, that the City
9 will provide it. And the City was going to
10 provide it by and through the developer who
11 guaranteed the provision of the
12 infrastructure by and through the bond, and
13 so it's a contract case that we've filed suit
14 on behalf of the City.

15 But at any time the City wants to settle
16 the matter, those discussions can come up in
17 the future. At this juncture, you know, we
18 wanted input on -- I wanted to give you an
19 update on where we are, get your
20 instructions, and then also talk about how to
21 handle the fees. So any thoughts you have
22 about the difference between the sections of
23 the development are certainly welcome.
24 Suit's been filed. I wouldn't recommend that
25 we modify the suit at this time, but your

1 thoughts and instructions are certainly valid
2 at this point.

3 COUNCILMAN PIERCE: Are they restricted
4 in any way from selling these platted lots to
5 individuals?

6 MR. HOGAN: No. The platted lots are for
7 sale and any individual can come in and
8 buy -- any individual can come in and buy a
9 platted lot as long as there's a willing
10 buyer and a willing seller.

11 COUNCILMAN PIERCE: Okay. If it comes to
12 having to make a choice, my recommendation is
13 that we concentrate and throw all resources
14 onto the bonds regarding the sewer plant.
15 Just my -- just my feeling. I would like any
16 offers of settlement to be brought back to
17 counsel as soon as possible. A bird in the
18 hand is worth a couple million in the bush, I
19 think. Thank you.

20 COUNCILWOMAN BRADBURN: Mr. Mayor?

21 MAYOR BURNETT: Yes.

22 COUNCILWOMAN BRADBURN: If I might?
23 Early on had we been able to negotiate piece
24 by piece, that probably would have been nice.
25 Unfortunately, the ruling out there, it

1 impacts the very tenants of contract law.
2 And essentially, if we lose, every city and
3 county in the state loses, because
4 essentially what it says is that you can't
5 depend upon bonds anymore; that surety bonds
6 are worthless. And so there's a greater
7 principle here at stake. And because of
8 that, numerous members of the League of
9 Cities are very, very concerned and are
10 getting involved now in this.

11 So hopefully that will help persuade the
12 court as well. But at this point, you can't
13 break anything apart because it's the
14 principle that's at stake here legally. Did
15 I adequately capture that?

16 MR. HOGAN: Well, you know, there are
17 two different defendants here. There's
18 Chubb/Federal and Travelers. So at some
19 point in time, you know, they may not work in
20 unison. They may try to divide and conquer.
21 One of them may want to settle and the other
22 one may not. Certainly we will bring those
23 opportunities back to City Council and in our
24 periodic updates let you know what's going on
25 with those cases.

1 Right now they sort of mirror each other
2 as far as their defenses. However, the issue
3 that Councilwoman Bradburn brings up is
4 related to the District Court precedent that
5 has been established in the Westchester case,
6 but I would point out to you that the facts
7 in these cases and the Travelers case and the
8 Chubb/Federal case are distinguishable from
9 the facts in the Westchester case.

10 In the Westchester case, the Cascades
11 Phase II had no discernable development
12 taking place within that part of the plat.
13 There was some -- a little bit of clearing
14 and grubbing, but not much other activity.
15 And the federal judge in that case latched
16 onto that fact, and after a 22-page narrative
17 came to the conclusion that the City had not
18 suffered any damages because no one was yet
19 living in that platted subdivision.

20 In these cases, first of all, you have a
21 water re-use facility that Councilman Pierce
22 pointed out will serve not only the residents
23 of that community but the community -- had a
24 benefit to the community at large. And that
25 project has already had some engineering done

1 and, in fact, some of the parts have been
2 purchased in our inventory at various
3 locations around the country. So that
4 project is underway, which is different than
5 the Cascades Phase II.

6 COUNCILMAN PIERCE: And we also have a
7 cooperative funding agreement with the water
8 management district that is going to end
9 sometime and they're going to want their
10 money back or we're going to have to show
11 them some re-use.

12 MR. HOGAN: Correct. That's also a
13 distinguishing factor. And there are also
14 people living within some of those platted
15 subdivisions there already, so some of the
16 infrastructure is in place. That project is,
17 I think, distinguishable from the Judge's
18 reasoning in the Westchester case. So that's
19 kind of where we are with those cases. Is
20 there any further discussion about the update
21 on that?

22 COUNCILMAN JOHNSTON: I got a couple
23 questions. What does the current amount of
24 the bonds total?

25 MS. REY: It's approximately 20 million.

1 However, that does not account for the
2 estimated amount of improvements that are
3 already installed in the Phase I bond. So
4 realistically it's about 15 million. And
5 those are round numbers, give or take a few.

6 COUNCILMAN JOHNSTON: And we mentioned
7 here earlier tonight as well that as goes
8 this case, so goes a number of cases around
9 the state of Florida for various other
10 things. Has there been any discussion or
11 consideration to try to consolidate any of
12 those cases through the League of Cities or
13 otherwise? Is it even possible?

14 MS. REY: We have approached the Florida
15 League of Cities about participating in one
16 of these cases. At this juncture there's
17 been no support from the legal department
18 about filing an amicus brief of that nature
19 or anything.

20 MR. HOGAN: Let's not get our cases mixed
21 up here.

22 MS. REY: Sorry.

23 MR. HOGAN: Let's stick with the District
24 Court litigation cases.

25 MS. REY; Okay.

1 MR. HOGAN: It would be very difficult to
2 combine these cases. The defendants would
3 probably never agree to it because they want
4 to get their separate shots, and the fact
5 patterns are going to differ greatly. But
6 having said that, if an opportunity were to
7 present itself, we would, I assure you, take
8 advantage of it. But I don't know of any
9 other cases that are similar that are filed
10 anywhere else right now.

11 COUNCILMAN JOHNSTON: And on some of the
12 stuff that we'll be bringing up here later
13 with the contingency thing to this, what is
14 the approximate current amount of fees that
15 you've billed to the City on these cases?

16 MR. HOGAN: I don't know what's been
17 billed on -- if we're going to switch over to
18 the fees issue, I don't know --

19 COUNCILMAN JOHNSTON: Well, you mentioned
20 fees when you were talking about this. You
21 mentioned contingency fees. I'm responding
22 to what you said.

23 MR. HOGAN: Yes, I'm sorry. My fault.
24 I'm trying to keep this discussion organized.

25 COUNCILMAN JOHNSTON: Well, I'm trying to

1 keep it on this point. You said later --

2 MS. REY: With respect to the Travelers
3 matter, I have been tracking time, but we
4 have not invoiced the City for fees or costs
5 associated with this particular complaint,
6 pending resolution of the discussion on the
7 contingency fee matter.

8 COUNCILMAN JOHNSTON: Approximately how
9 many hours?

10 MS. REY: I don't know off the top of my
11 head.

12 COUNCILMAN JOHNSTON: Well, you've been
13 tracking it.

14 MS. REY: I have.

15 MR. HOGAN: While she's looking for that,
16 are there any other questions or discussion
17 points about the facts or the strategy?

18 COUNCILMAN PIERCE: No. Just strategy,
19 for future reference, I would like the City
20 Manager to get staff to prepare a cost
21 estimate for the off site line that's
22 involved in Item D. This would be our
23 fall-back absolute minimum settlement that we
24 would accept, and the same thing for Item E.
25 Item E, this is the --

1 MS. REY: Excuse me, if we can hold off
2 discussing --

3 MR. HOGAN: You're going to discuss Item
4 E in a few minutes.

5 COUNCILWOMAN BRADBURN: And if I might,
6 if we put a document like that out, that
7 becomes a public record, right? And that
8 might deter our --

9 MR. HOGAN: We could prepare that in the
10 fact that we're in litigation, and the City
11 Manager could give us those calculations and
12 the next time we reconvene in a executive
13 session we would have those figures
14 available. And I don't expect we're going to
15 get a settlement offer before we have another
16 summary session.

17 COUNCILMAN PIERCE: Make staff do it.
18 They know how to do it. They don't need to
19 go running to Coastal or somewhere.

20 MS. REY: To date I have spent or the
21 firm has spent approximately 21 hours of
22 time.

23 MR. HOGAN: Okay.

24 COUNCILMAN JOHNSTON: Thank you.

25 MR. HOGAN: Any other strategy

1 discussions on this? Yes, sir?

2 COUNCILMAN BERNARDINI: I just -- I'm
3 just amazed that, to me, the importance of
4 this issue to the whole state, probably the
5 country -- I'm not sure if it didn't go
6 countrywide -- that if we lose this, I don't
7 know whether we'd be calling it a bond,
8 because it wouldn't be a surety bond. How
9 could a development, if they didn't have the
10 money up front, come into a community and
11 expect to develop?

12 And as you said, the one document that we
13 heard in the very beginning, it said a
14 contract's a contract and should be held to,
15 and then it goes 26 pages later and says why
16 we don't have to. So it's just amazing to
17 me, and I can't believe that the Florida
18 League of Cities isn't --

19 COUNCILWOMAN BRADBURN: No, it is. She
20 was talking about one thing in particular.
21 They are. And, in fact, cities all over --
22 and we have sent out sample resolutions to
23 cities all over the state. We expect to be
24 getting those back soon.

25 People, every time I go to a meeting,

1 come up to me wanting to help. They're
2 trying to figure out, between their councils
3 and their legal staff, the best way to do
4 that, understanding that we have time
5 constraints. And then overall there's the
6 League of Cities, and I think the attorneys
7 will probably get into where they might fit
8 into that. Right?

9 MS. REY: Yes, but not with respect to
10 this particular complaint.

11 COUNCILWOMAN BRADBURN: That's right.
12 So, yes, they are involved and will continue
13 to be involved.

14 MR. HOGAN: I agree with you. It's
15 crucial to bonding and to development, and
16 that's why not only because we need to
17 recover these funds for our client, the City
18 of Brooksville, but I think, I'm hoping that,
19 you know, this issue will gain some momentum
20 and other municipalities and counties around
21 the state will get interested in it. We've
22 been publicizing it. We're starting to get
23 some attention.

24 COUNCILWOMAN BRADBURN: It's just been a
25 very complex issue to convey to other cities.

1 And particularly when we're limited in what
2 we can release as far as information at any
3 given time, and then the deadlines that
4 pertain to that because the information in
5 this case has changed. You know, why do we
6 keep coming to executive session on this?
7 Because the information keeps changing as far
8 as, you know, what the Court is requesting
9 and what other responses have been filed.

10 So it's hard, when you don't meet with
11 other entities on a regular basis, to convey
12 that. And we're trying to do that in the
13 best way that we can, but --

14 COUNCILMAN BERNARDINI: Well, it doesn't
15 seem to me that difficult. I mean, it's
16 pretty simple. A surety bond is not worth
17 the paper it's written on if we lose.

18 COUNCILWOMAN BRADBURN: Right. But the
19 complexities are this: Every city is
20 different. There are a number of cities,
21 particularly when you take Pinellas County,
22 those municipalities are built out. And
23 so --

24 COUNCILMAN BERNARDINI: But a surety bond
25 doesn't just have to be on development,

1 right?

2 MR. HOGAN: Correct.

3 COUNCILMAN BERNARDINI: A surety bond can
4 be on anything. It's not the development
5 part of it, it's the bond itself. If it's --

6 COUNCILWOMAN BRADBURN: Right. When
7 they're trying to file something on our
8 behalf, it gets a little complicated on how
9 they can do that. That's all I'm trying to
10 say.

11 COUNCILMAN BERNARDINI: Well, I'm sure to
12 file but, you know, we get --

13 COUNCILWOMAN BRADBURN: The desire is
14 there to help. That's what I'm trying to
15 say. And communities all over the state are
16 trying to find ways to do that in the most
17 effective way. And hopefully we'll be
18 getting more and more input on that.

19 COUNCILMAN BERNARDINI: The secretive
20 part is how we're going to fight it. The
21 fact that we're having to fight it shouldn't
22 be a secret. You're saying the bond, the
23 surety bond, we gave it to you, but we don't
24 want to pay it. That's basically what
25 they're saying, right? You got the bond, but

1 don't want to pay it.

2 MR. HOGAN: The fact that we're having
3 this fight is not a secret. We filed
4 publicly, we filed a lawsuit. They've
5 answered publicly. The pleadings are all
6 public. And we are -- we've been in
7 communication with the League of Cities.
8 We've published our plight with them, and we
9 are trying to get them involved, other cities
10 involved, and I think we will eventually.
11 But, you know, it just takes a while to get
12 some momentum out of these things.

13 Any other discussions about strategy
14 before I move into the fee situation?

15 COUNCILMAN PIERCE: Are we going onto
16 Item E, Westchester?

17 MR. HOGAN: No, sir, we're going to talk
18 about contingency fees now.

19 COUNCILWOMAN BRADBURN: As part of D.

20 MR. HOGAN: As part of D.

21 COUNCILMAN PIERCE: Are we finished with
22 Westchester?

23 MR. HOGAN: No, we haven't gotten to
24 Westchester.

25 COUNCILMAN PIERCE: Oh, now we're going

1 back to the retainer agreement?

2 MR. HOGAN: Right.

3 COUNCILMAN PIERCE: Okay.

4 MR. HOGAN: Right. The last time we met
5 in executive session, I suggested to you that
6 you may want to consider retaining our firm
7 to take just these two cases, Travelers and
8 Chubb/Federal on a contingency fee basis, and
9 we had considered it at the firm and they
10 authorized me to make that offer to you. And
11 so we did, and we constructed the contract.

12 Florida Bar rules allow for contingency
13 fee cases to be thirty-three and a third, but
14 the Attorney General's Office has adopted a
15 different policy, and they pay on a little
16 bit different scale, starting at 25 percent
17 and then sliding the scale downward as set
18 forth in the proposed retainer.

19 Now, we're doing this because I am, just
20 like you, sensitive to City expenditures, and
21 I know that you've spent a lot over the last
22 few years on legal fees. I feel that we've
23 earned every dime and every penny that you've
24 paid us. We try to do a great job for you
25 and we give detailed billing, and we're

1 willing to meet with any of you at any time
2 to discuss any issue, including fees.

3 With that said, I realize that because of
4 the number of projects that we've undertaken,
5 including redrafting the ordinances, drafting
6 joint planning agreements with the County,
7 and several litigated matters, that fees have
8 escalated. So I offered to you that we take
9 these two cases on a contingency fee basis,
10 if you want us to.

11 Now, if you don't want us to, if you want
12 to pay us under our normal retainer
13 agreement, that's fine with me, too. So
14 you're not going to hurt my feelings either
15 way that you go with this. So I just need
16 some, you know, you need to tell me what you
17 want to do, and then it's on the agenda for,
18 when you reconvene, if you want to elect to
19 amend our existing retainer agreement and
20 convert these two cases only to a contingency
21 fee basis, then we're willing to do it.

22 Like I said, if you don't want to, if you
23 don't want to bring this up after we
24 reconvene, that's fine with me. But I need
25 to know which way you want to do it.

1 COUNCILMAN PIERCE: Items four and six,
2 paragraphs four and six, lists some costs
3 that the City is going to pay outside of the
4 contingency fee or up front. What kind of
5 number are we talking about here?

6 MR. HOGAN: Well, I can't tell you
7 exactly what it's going to be because every
8 litigated matter is different. But to give
9 you some sort of a ball park idea, you have
10 spent in this calendar year on the
11 Westchester case -- excuse me -- this is for
12 calendar year '09 when all the discovery was
13 done in the Westchester case. In '09 for the
14 Westchester case, which includes depositions
15 and research and some overnight delivery
16 charges to Tampa and so forth, you've spent
17 \$12,459.12.

18 So I would anticipate that you would have
19 something along the order of that. Although
20 you have two defendants here, so these cases
21 will track together, so there will be some
22 savings. But it will probably be slightly
23 more than that \$12,000 for a year, especially
24 in the year the discovery takes place and the
25 year that you have your depositions, because

1 you have court reporters that are extremely
2 important to every litigated matter, and you
3 have those associated costs.

4 COUNCILMAN PIERCE: So for both Items
5 four and six, you would say -- I'm being --
6 since we have on one defendant we spent
7 twelve thousand in the categories of four and
8 six, with two the upper limits would probably
9 be about twenty-four thousand?

10 MR. HOGAN: I'm telling you, Councilman,
11 I don't know what it would be. I'm giving
12 you a ball park what we've experienced in the
13 Westchester matter. It's a similar case.
14 So I'm --

15 COUNCILMAN PIERCE: A reasonable
16 expectation would be \$24,000 or less?

17 MR. HOGAN: Yes, sir. Twenty-four,
18 twenty-five thousand, yes. I would guess.
19 It's a guess.

20 COUNCILMAN PIERCE: Okay. How do we put
21 a stop loss order in for \$25,000, to come
22 back to Council and assess where we're
23 at?

24 MR. HOGAN: Well, what I would suggest to
25 you is that as these cases progress, whether

1 you're paying us under our old retainer or
2 existing retainer, or whether you want to do
3 this new contingency retainer, we're going to
4 have periodic meetings like this, and I would
5 suggest that we -- if not on your regular
6 agenda, at least at these strategy sessions
7 that we give you an update of where you are
8 on costs.

9 But that's -- where you are on costs is
10 not a matter that needs to be taken up
11 necessarily at a strategy discussion meeting.
12 The reason that I wanted to discuss fees in
13 this manner in this particular case is for
14 the following reason. I did not want to
15 create an issue of legal fees for Chubb and
16 for Travelers to use against us.

17 COUNCILMAN PIERCE: Right.

18 MR. HOGAN: And what I mean by that is
19 that for -- two prongs, two ideas here. One
20 of them is if they, if Chubb and Travelers
21 realize that this little tiny law firm and
22 little tiny Brooksville is taking on this
23 case on a contingency fee, then they're going
24 to try to bury us in costs. They're going to
25 run us all over the place trying to get us to

1 go out of state and who knows, might want to
2 get us to go out of the country to take
3 depositions, or just pile on the paper if
4 they think that our little firm is having to
5 pay the costs, the attorney's fee time costs,
6 in this case.

7 So I wanted to keep this thing with as
8 little controversy as possible, this
9 discussion, because it's part of the strategy
10 of the case, so it's legitimately part of
11 this executive discussion.

12 The second thing is that they are also
13 going to likely -- would likely argue that if
14 you're paying a contingency fee, then dollar
15 for dollar your recovery is not going to go
16 into your infrastructure. The counter
17 argument to that is that if you win the case,
18 then that's totally what you're allowed, to
19 recover a reasonable attorney's fee.

20 Now, what you recover may not match up
21 dollar for dollar with what you pay out in a
22 contingency contract. There are scenarios
23 under which it could be more. There are
24 scenarios under which it could be less, but
25 the likelihood of it matching up dollar for

1 dollar is very little. So I did not want the
2 fee structure to become an issue for the
3 defense and have them get us off on some sort
4 of a tangent in court. So that's the reason
5 it's proper for a strategy discussion.

6 COUNCILMAN JOHNSTON: It sounds to me
7 like what you're basically telling us is it's
8 better to go with our standard fee agreement
9 than contingency.

10 MR. HOGAN: I'm trying not to steer you
11 in any direction.

12 COUNCILMAN JOHNSTON: Well, I understand,
13 but what I'm hearing though is the fact that
14 it really would be better in the longrun,
15 overall strategy of the case, if we go with
16 the agreement, what it sounds like.

17 MR. HOGAN: Well, I think that the
18 argument that the contingency fee is a
19 defense to whether or not the infrastructure
20 goes in the ground dollar for dollar is a
21 bogus one because of the statutory allowance
22 for the recovery of fees. However, I wasn't
23 going to let this moment pass without making
24 you aware that that's a possible argument.

25 It's sort of a business -- it is a

1 business decision for you folks to make,
2 because you're the ones that have to budget
3 year in and year out for your business. I do
4 it on a much smaller scale, but we have an
5 ongoing sensitivity to our fees, and that's
6 the reason I wanted to make -- at least make
7 this offer to you, to take these cases on
8 contingency if that's what you wanted us to
9 do.

10 We're in this -- we want the City of
11 Brooksville to be our client for many, many
12 years to come, and so I don't want to try to
13 make as much money as I can on these
14 litigated matters while they last. I want to
15 make the best possible deals as I can make
16 with you going forward. So we discussed it,
17 Jennifer and I discussed it, other folks at
18 the firm discussed it, and we felt a
19 contingency fee was worth discussing with you
20 in this case. So that's the reason we're
21 doing it, and the fact that it's right for
22 discussion in the executive session is
23 because it does become or could become part
24 of the strategy, and so that's the reason I'm
25 bringing it up. I'm trying to explain my

1 concerns to you as best I can so you can make
2 a rational decision on how you want to go
3 forward.

4 COUNCILMAN JOHNSTON: So we, here in
5 executive session, voice our opinion as to
6 what we think needs to be done with
7 the retainer agreement before we come out of
8 executive session?

9 MR. HOGAN: Right.

10 COUNCILWOMAN BRADBURN: As we did the
11 last meeting, and the fact that it was
12 actually pulled may have deterred our goal,
13 may have hindered the goal. I still don't
14 think so. I still think the contingency plan
15 is the best economic plan that we have going.
16 I think it's a generous offer, because
17 they're taking a big, big risk.

18 On the other hand, if it becomes a matter
19 of exploitation then, you know, that's a risk
20 as well. But had it just gone on as
21 discussed in the last executive session, I
22 think we would have been in a better
23 position.

24 MAYOR BURNETT: I thought in the last
25 executive session that we had agreed.

1 COUNCILWOMAN BRADBURN: We did. We --

2 MAYOR BURNETT: Because --

3 COUNCILWOMAN BRADBURN: -- did.

4 MAYOR BURNETT: -- on the other side --

5 COUNCILWOMAN BRADBURN: It --

6 MR. HOGAN: Wait one second. One at a
7 time, please.

8 COUNCILWOMAN BRADBURN: Sorry. We have
9 agreed.

10 COUNCILMAN BERNARDINI: But my
11 interpretation, my agreement, was for them to
12 bring back a proposal. I didn't accept that
13 I wanted to go that way. I accepted that
14 they would bring us back a proposal to look
15 at. And what I see, two items that
16 Councilman Pierce brought up, Item Number 9,
17 which is power of attorney to execute the
18 documents.

19 I mean, they have the total discretion to
20 execute the documents, whether it's for --
21 the way I see it -- all settlement
22 agreements, releases, all documents.

23 MR. HOGAN: No. No, that's -- we have to
24 have the power to sign pleadings and so
25 forth, but no settlement is valid in this

1 venue without City Council approval. But if
2 you did execute a -- if you did agree to a
3 settlement, sure, one of your attorneys would
4 execute that. And also -- is there any
5 question about that so far? You look like
6 you were puzzled.

7 COUNCILMAN BERNARDINI: Well, I don't
8 understand. It says, "Power of attorney to
9 execute documents." It says right in here,
10 "settlement agreements." I guess that's --
11 and a surety bond is not a surety bond if you
12 say I'm not going to pay it, you know what I
13 mean? It says here you can do the settlement
14 agreements.

15 MR. HOGAN: Well, I'll be happy to strike
16 that out of there if it gives you any
17 heartburn whatsoever. But the City -- the
18 City, County, State, political subdivisions
19 of the State of Florida, cannot be held to
20 any contract or settlement agreement without
21 the approval of that collegial body.

22 So this is standard language that's in a
23 retainer agreement, but I'll be happy to
24 strike that, and I'll initial it if you want,
25 or you can have it notarized. But that's

1 not an issue. We do want the authority to
2 sign pleadings.

3 COUNCILMAN PIERCE: Mr. Mayor?

4 MAYOR BURNETT: Yes, sir.

5 COUNCILMAN PIERCE: One last question. I
6 see the term of agreement is for three years
7 or until you are victorious.

8 COUNCILWOMAN BRADBURN: Win.

9 COUNCILMAN PIERCE: But what if Council
10 sees the fees in four and six getting out of
11 our comfort zone? How do we cancel the
12 agreement? Is there some other -- in the
13 master agreement, is there --

14 COUNCILWOMAN BRADBURN: How do we stop
15 fighting?

16 COUNCILMAN PIERCE: Yes, how do we tell
17 them, end it, stop it, you know, we're not
18 going to spend any more money?

19 MR. HOGAN: The client is always in
20 charge of their own destiny. So you would
21 say if you want to just voluntarily dismiss
22 the case, but if you were to -- if you were
23 to discharge us without cause only so you
24 could hire another firm, we would do what's
25 called liening the file. And we would file a

1 lien for our time that we expended up to that
2 point, and the new firm, if they recover,
3 would have to pay us that lien and then
4 recover their fees.

5 COUNCILMAN PIERCE: So if the City
6 arbitrarily ends the lawsuit because the fees
7 and the costs in items four and six go above
8 our comfort level, then we're going to be
9 liable for you?

10 MR. HOGAN: No.

11 COUNCILMAN PIERCE: No?

12 MR. HOGAN: No. If you were to discharge
13 us in favor of -- hire some other law firm,
14 we would lien the file that firm took over.
15 If you decide you don't want to pursue this
16 case, I'm taking a risk. You guys, you know,
17 this could go on easily for five years. You
18 guys may not be sitting here, and the new
19 council may say, you know, we don't like any
20 litigation, and we're directing you to settle
21 this case for fifty bucks. I mean, it could
22 happen.

23 COUNCILWOMAN BRADBURN: Fifty-one.

24 MR. HOGAN: Fifty-one, ninety-five.

25 MAYOR BURNETT: But my understanding --

1 are you finished?

2 COUNCILMAN PIERCE: Yes.

3 MAYOR BURNETT: And correct me if I'm
4 wrong. My understanding at the last
5 executive session, and I thought that it was
6 in favor of the 25 percent contingency,
7 meaning that, to us, during this economic
8 times, we're not putting up any money.
9 You're taking the risk. But at the end of
10 it, whatever it may be, if it be one dollar
11 that we won, you would get 25 cents and we
12 would get 75 cents. That was my
13 understanding. Am I correct?

14 MR. HOGAN: That is correct, with the
15 exception that you will be paying the costs
16 of the discovery and other associated costs.

17 MAYOR BURNETT: That's the way I think.
18 Of course, each -- every one of us have our
19 opinion, but that's the way I think we should
20 go in these particular matters, because it's
21 not costing us anything up front during these
22 economic times. I just think, except the
23 little portion that we have to file.

24 COUNCILMAN JOHNSTON: Experts,
25 transportation costs, expert witnesses,

1 depositions, investigators, that sort of
2 thing, those are not insubstantial fees.
3 Expert witnesses are not cheap.

4 MR. HOGAN: Well, let me just point out
5 that you pay those now.

6 COUNCILMAN JOHNSTON: And we'll have to
7 continue paying them. The only thing we're
8 getting out of is attorney fees.

9 MR. HOGAN: That's correct.

10 COUNCILMAN PIERCE: Mr. Mayor?

11 MAYOR BURNETT: Yes, sir.

12 COUNCILMAN PIERCE: I'm in favor of this
13 agreement, with the understanding that the
14 City Attorney bring back the costs of items
15 four and six on a periodic basis for Council
16 review.

17 MR. HOGAN: You receive those monthly.
18 Those bills come in monthly.

19 MAYOR BURNETT: Now, back to council
20 member Bernardini. You have a little
21 uncomfort zone. The attorney said he will
22 strike --

23 MR. HOGAN: Strike the term "settlement
24 agreement" out of there.

25 COUNCILMAN BERNARDINI: Even with that, I

1 want to go back another way. I'd like to
2 stay the way we are.

3 MR. HOGAN: I just need some direction as
4 to how you want to go.

5 COUNCILWOMAN BRADBURN: Contingency, on
6 my part.

7 COUNCILMAN PIERCE: Contingency, on my
8 part.

9 MAYOR BURNETT: Contingency, on my part.

10 COUNCILMAN JOHNSTON: Same here.

11 MR. HOGAN: Well, if you want to bring it
12 up when we reconvene, then my suggestion
13 would be that somebody make a motion to
14 either accept the amendment to the contract
15 or not.

16 COUNCILWOMAN BRADBURN: Noted.

17 MR. HOGAN: And then you'll have a vote,
18 and we'll take direction from that vote.

19 Okay. I think that concludes our
20 discussion on the Westchester and Chubb -- I
21 mean, excuse me, Chubb and Travelers.

22 (Proceedings concluded.)

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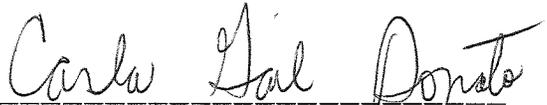
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STATE OF FLORIDA)
COUNTY OF HERNANDO)

I, CARLA GAIL DONATO, Registered Professional Reporter, certify that I was authorized to and did stenographically report the foregoing proceedings and that the transcript is a true record of said proceedings.

Dated this 12th day of April, 2011.


CARLA GAIL DONATO, RPR

ORIGINALCITY OF BROOKSVILLE
CITY COUNCIL
EXECUTIVE SESSION

9/17/12

PROCEEDINGS: Executive Session Re:
**Progress Energy -
Public Service Tax**

DATE: December 6, 2010

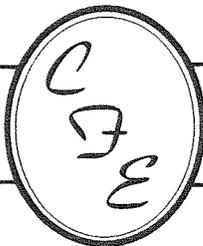
PLACE: 201 Howell Avenue
Brooksville, Florida

REPORTED BY: C. GAIL DONATO, RPR
Notary Public - State of
Florida at Large

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JOSEPH E. JOHNSTON, III
Vice Mayor
LARA BRADBURN
JOE BERNARDINI
EMORY PIERCE

STAFF: T. JENNENE NORMAN-VACHA
City Manager

*Carolyn F. Engel & Associates*Registered Professional and
Certified Verbatim Reporters

309 South Main Street - Brooksville, Florida 34601

(352) 754-1182

P R O C E E D I N G S

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2 MS. REY: The fourth item is the Progress
3 Energy matter. There are a couple things I
4 want to point out to Council. The report was
5 done. We've sent a demand letter. We don't
6 know at this juncture what their response is
7 going to be. The deadline is set as December
8 15.

9 However, there are a couple things that
10 need to be taken into account that we expect
11 to have a dispute about. One has to do with
12 the amount, in terms of whether or not the
13 City met its obligation to provide timely
14 notice of the particular parcels annexation
15 or subject -- that particular parcel becoming
16 subject to Public Service Tax. We expect
17 that to be an argument, except for the fact
18 that certain parcels outside the city limits
19 were assessed the tax, and certain parcels,
20 particularly here in downtown on Main Street,
21 were not assessed the tax, despite the fact
22 that they were neither subject to annexation
23 or any type of notice requirement. But that
24 is an issue that Progress Energy has raised.

25 The other is likely to be a dispute about

1 notification under the statute. The City
2 began in a very cooperative fashion working
3 with Progress Energy mapping out addresses,
4 what was properly assessed, what was not.
5 At that time the City made demand to Progress
6 Energy for payment of the tax due on the
7 parcels that were identified. Progress
8 Energy replied and said we dispute the
9 amount, we think it's this amount, and then
10 both parties quit talking to some extent.
11 Progress Energy became non-responsive at that
12 point, in which case the City then had to
13 serve subsequent notice about the audit
14 period. So we expect them to raise issues
15 with regard to notice or statute of
16 limitations requirements, and we will debate
17 about that.

18 Given Progress Energy's intentional delay
19 and lack of production of records, despite
20 repeated demands by the City, we, again,
21 expect this will be a disputed matter. So in
22 the event they do not make payment and the
23 response is that payment is not owed, we
24 would be looking for direction from City
25 Council as to whether or not you want to

1 pursue litigation.

2 MR. HOGAN: In State Circuit Court.

3 COUNCILWOMAN BRADBURN: That would not be
4 good PR on their part.

5 MR. HOGAN: No. You would think they
6 would want to settle it, but --

7 COUNCILMAN BERNARDINI: I don't think
8 they care.

9 COUNCILWOMAN BRADBURN: I think they're
10 concerned about the potential effect.

11 MR. HOGAN: We'll see if they respond,
12 when they respond, and we'll be bringing that
13 back to you and we'll see where we go with
14 it. But if they say no, you have to tell us
15 whether you want to sue them or not.

16 COUNCILMAN JOHNSTON: I think yes, we do.

17 MR. HOGAN: Then we will.

18 COUNCILMAN PIERCE: I say sue. They
19 probably got the same situation with every
20 other city in the state probably, and they
21 probably don't want the stink to get out of
22 the bag. They'll probably settle as soon as
23 you file a lawsuit, so sue.

24 MS. REY: As a point of note,
25 interestingly we actually got a response that

1 they were amenable to producing the records
2 when we said a complaint for injunction had
3 been prepared and would be filed imminently.
4 That started the process of their cooperation
5 with the Public Service Tax audit.

6 MAYOR BURNETT: Any other comments?
7 We're going to adjourn, coming out of
8 executive session, and reconvene the Council
9 meeting.

10 (Proceedings concluded.)

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STATE OF FLORIDA)
COUNTY OF HERNANDO)

I, CARLA GAIL DONATO, Registered Professional Reporter, certify that I was authorized to and did stenographically report the foregoing proceedings and that the transcript is a true record of said proceedings.

Dated this 13th day of April, 2011.



CARLA GAIL DONATO, RPR

ORIGINAL

CITY OF BROOKSVILLE
CITY COUNCIL
EXECUTIVE SESSION

9/17/12

PROCEEDINGS: Executive Session Re:
**State of Florida Public Service
Commission in Re: Application
of Skyland Utilities, LLC
Case No. 090478-WS**

DATE: December 6, 2010

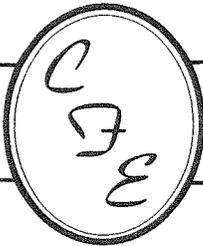
PLACE: 201 Howell Avenue
Brooksville, Florida

REPORTED BY: C. GAIL DONATO, RPR
Notary Public - State of
Florida at Large

APPEARANCES: THOMAS S. HOGAN, JR., ESQUIRE
JENNIFER REY, ESQUIRE
DEBBIE HOGAN, ESQUIRE
20 South Broad Street
Brooksville, Florida 34601
Counsel for City of Brooksville

COUNCIL MEMBERS: FRANKIE BURNETT, Mayor
JOSEPH E. JOHNSTON, III
Vice Mayor
LARA BRADBURN
JOE BERNARDINI
EMORY PIERCE

STAFF: T. JENNENE NORMAN-VACHA
City Manager

*Carolyn F. Engel & Associates*Registered Professional and
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309 South Main Street - Brooksville, Florida 34601

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P R O C E E D I N G S

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2 MR. HOGAN: Okay. We will reconvene in
3 executive session, and let me give you some
4 basic instructions. We're going to be
5 talking about three matters, and we're going
6 to be establishing a record with Gail Donato
7 taking down every word that we say here. And
8 it's important that we have a discussion
9 about each matter separately, because as each
10 of these matters is closed, they will become
11 public record. So whatever we say here about
12 these items will become public record as soon
13 as that item on the agenda is no longer
14 pending litigation.

15 So in order to make my life easier and
16 Ms. Donato's life easier, we're going to talk
17 about each issue separately, and once we
18 complete discussion about a particular issue,
19 we're not going to go back to that issue.
20 We're going to complete that discussion and
21 move on to the next issue and talk only about
22 that issue, and then move on to the final
23 issue. Any questions about that procedure?

24 The reason that we've asked for this
25 executive session is we have three matters

1 pending, three litigated matters, and we
2 want -- we want some guidance from City
3 Council with regard to how you want us to
4 proceed or we have an update, a report, that
5 we want to give you about that pending
6 litigation.

7 And the first one is State of Florida
8 Public Service Commission, In Re:
9 Application of Skyland Utilities, LLC, to
10 operate a water and wastewater utility in
11 Hernando and Pasco Counties, Florida. Case
12 Number 090478-WS. And Ms. Rey will update
13 you on that.

14 MS. REY: After the hearing on the
15 application, the staff had issued a report
16 and recommendation to the Public Service
17 Commission to deny certification as a utility
18 to Skyland. And they based it on the fact
19 that Skyland failed to establish a need for
20 such a service in this particular area at
21 this time.

22 That is strictly a report and
23 recommendation that's being made to the
24 Public Service Commission. The Public
25 Service Commission will not vote until

1 December 14. However, we are looking for
2 direction from Council in the event that the
3 Public Service Commission does not adopt the
4 staff report and recommendation to deny the
5 permit, whether or not the City Council wants
6 to continue in its pursuit in conjunction
7 with the County. The County has given
8 indication that they intend to appeal if it
9 is granted.

10 So we are looking for direction from the
11 City Council as to whether or not you want us
12 to continue to join in any type of appeal if
13 that is being pursued.

14 COUNCILWOMAN BRADBURN: Mr. Mayor? We
15 discussed previously, this is an application
16 for essentially a bulk water grab. With a
17 coming new governor, that governor has the
18 ability and has said that he will do so, to
19 remove all of the current governor's
20 appointees and appoint his own people. If
21 the new people are not given the information
22 that entities like the City of Brooksville
23 oppose the water grab, then they might not
24 realize the potential impact of the
25 application. It would be my recommendation

1 that we continue to voice that concern.

2 COUNCILMAN BERNARDINI: I don't know how
3 we're going to go about this, but I totally
4 agree with Councilwoman Bradburn on that
5 issue. As she said, I don't know exactly
6 what the new governor's going to do. I
7 believe he's made some very broad statements,
8 and I think we need to make sure we stay on
9 top of it.

10 COUNCILMAN PIERCE: Mr. Mayor? I agree
11 it's important, but we're also spending a lot
12 of money on City Attorney fees. My feeling
13 is that Mr. Radacky and Mr. Will Smith and/or
14 the City Manager can adequately represent the
15 City, protesting any actions that the Public
16 Service Commission may take, and I would like
17 to rely on the City Manager and the staff
18 going forward.

19 In the event that the Public Service
20 Commission does not agree with the staff
21 report, it seems like Hernando County is
22 going to file an injunction, and I would let
23 staff work with Hernando County as best they
24 can and not involve the City Attorney without
25 this matter coming back to City

1 Council.

2 COUNCILMAN JOHNSTON: I agree with both
3 council member Bradburn and council member
4 Pierce. I think we do need to keep our hand
5 in this and let them -- make them aware of
6 our feelings and position on this matter, but
7 there is also the matter that composition of
8 the PSC changed not long ago, and as you say,
9 the new governor may change it again. If
10 that's the case, we have no idea if the PSC
11 itself will follow the recommendation of
12 staff, which I feel is the right
13 recommendation. Whether or not the PSC
14 follows that remains to be seen.

15 But I agree at this point we need to
16 monitor it, and I believe that if an appeal
17 comes to be filed, as has been indicated the
18 County will be filing that, and we can
19 continue to make our positions known through
20 that process.

21 COUNCILWOMAN BRADBURN: If I might? Yes,
22 we can certainly continue to make ourselves
23 known through the County. However, the City
24 Manager and staff don't have JD after their
25 name, and we must rely on them to

1 appropriately follow the legal cases. We
2 haven't spent a great deal on this, nor do I
3 foresee that we will, because the County is
4 taking the lead. But I've dealt with the PSC
5 before extensively. I know how the process
6 works. And if you don't do things in a
7 timely manner when it crops up, you lose that
8 opportunity, the door is slammed shut tight,
9 and then we're left in the cold.

10 I can cite the examples in the Tampa Bay
11 area where that occurred. It's a very, you
12 know, I don't -- I trust that they're not
13 going to do anything without letting us know.
14 So with that, I don't see that we're going to
15 file anything right now; is that correct?

16 MR. HOGAN: That's correct.
17 Historically, the PSC has followed staff
18 recommendations, but this is a new situation
19 with new members. And if the board doesn't
20 follow, the PSC Commission doesn't follow the
21 staff recommendations, then there is an
22 appellate procedure that would take place,
23 and that's what our question is. Do you want
24 us to participate in that appellate
25 procedure?

1 Up to now we have been letting the County
2 Attorney's Office do most of the drafting,
3 initial drafting, and so forth in an effort
4 to keep legal fees as low as possible,
5 because we are sensitive to that issue. If
6 there is -- if the County elects to appeal
7 this process, then chances are that the
8 City's interest would be protected. But, you
9 know, you've also participated in the case at
10 the Public Service Commission level so you do
11 have a right to appeal if the Commission
12 rules against you. It's just a matter of we
13 just want instruction as to which way you
14 want to go with it.

15 COUNCILWOMAN BRADBURN: And it's up for
16 discussion before the PSC on December 14; is
17 that correct?

18 MS. REY: Yes.

19 COUNCILWOMAN BRADBURN: And then our next
20 meeting is December 21.

21 MS. NORMAN-VACHA: Twentieth.

22 COUNCILWOMAN BRADBURN: Twentieth.

23 THE COURT: That gives us 6 days to file
24 notice of executive session if we need to.

25 MR. HOGAN: Yes, that's correct. You

1 don't have to have executive session, but in
2 order to have these strategy discussions, I
3 feel it's better to do it as an executive
4 session. But you don't have to do it by
5 executive session. You can put it on your
6 regular agenda. You could have an executive
7 session, whatever you --

8 COUNCILWOMAN BRADBURN: I say that
9 because we then should have a good idea about
10 what was shared --

11 MR. HOGAN: You should have the record by
12 that point as to why they ruled and how they
13 ruled.

14 COUNCILWOMAN BRADBURN: I think we might
15 be in a better position to make that decision
16 on the twentieth. That's my thought.

17 COUNCILMAN JOHNSTON: I agree. We're
18 really just kind of, at this point, guessing.
19 And after that point, we'll know. We'll know
20 how to proceed.

21 COUNCILMAN PIERCE: I believe I support
22 council member Bradburn's position. I just
23 want it to come back before Council before
24 any more is spent on attorney's fees on this
25 matter.

1 MR. HOGAN: Mr. Mayor, do you want us to
2 notice this for an executive session on the
3 twentieth in case there's something to
4 discuss on this issue?

5 MAYOR BURNETT: Yes, sir, based on
6 Council, yes, sir.

7 MS. REY: And as clarification, we would
8 have to call or request the executive session
9 in your regular meeting after we close and
10 reconvene.

11 MR. HOGAN: This gives us a chance to
12 notice it. Anything else?

13 MS. REY: No.

14 MR. HOGAN: Anything else about the
15 Public Service Commission case? Okay.

16 (Proceedings concluded.)
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1 STATE OF FLORIDA)

2 COUNTY OF HERNANDO)

3 I, CARLA GAIL DONATO, Registered Professional
4 Reporter, certify that I was authorized to and did
5 stenographically report the foregoing proceedings
6 and that the transcript is a true record of said
7 proceedings.

8 Dated this 13th day of April, 2011.

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CARLA GAIL DONATO, RPR

**CITY OF BROOKSVILLE
REGULAR CITY COUNCIL MEETING
COUNCIL CHAMBERS
201 HOWELL AVENUE
BROOKSVILLE, FL 34601
MINUTES**

July 16, 2012

7:00 P.M.

Brooksville City Council met in regular session with Acting Mayor Lara Bradburn, Council Members Joe Bernardini, Frankie Burnett and Kevin Hohn present. Also present were Thomas S. Hogan, Jr., City Attorney; T. Jennene Norman-Vacha, City Manager; Janice L. Peters, City Clerk; Steve Baumgartner, Finance Director; Mike Walker, Parks and Recreation Director; Bill Geiger, Community Development Director; Richard Radacky, Director of Public Works; George Turner, Police Chief and Tim Mossgrove, Fire Chief. Members of the Hernando Today and Hernando Times were also present.

The meeting was called to order by Acting Mayor Bradburn, followed by an invocation and Pledge of Allegiance.

CERTIFICATES, PROCLAMATIONS AND PRESENTATIONS

Margaret R. Ghiotto Improvement Award – Residential Award

Recognition of improvements to the property of Machella Boyle, Robert Moa and Douglas Helton, located at 472 Howell Avenue.

Scott Renz, Beautification Board Chair, reviewed the award, which will be delivered to the owners, who were not present.

Margaret R. Ghiotto Improvement Award – Commercial Award

Recognition of improvements to the property owned by Lowman Properties, LLC, located at 31 South Main Street, Lowman Law Firm.

Scott Renz, Beautification Board Chair, reviewed the award and presented it, along with Acting Mayor Bradburn, to the Lowman family.

CITIZEN INPUT

Acting Mayor Bradburn asked for public input.

Craig Giera, who lives at 1324 Candlelight Boulevard in Brooksville reviewed damage to his and surrounding properties as a result of the storm. He advised the drainage system is not being properly maintained and calls to Director Radacky have not been answered. Acting Mayor Bradburn advised the problem is being looked into, as well as numerous places needing attention. City Manager Norman-Vacha indicated Director Radacky will be out to visit with him.

Council Member Burnett indicated he and others had been out on Saturday and problems are being addressed to start cleaning up. He advised preventative maintenance, maybe annually, before the hurricane season starts. He recommended the culverts be covered with a device to prevent branches and debris from clogging the system.

REGULAR COUNCIL MEETING MINUTES – July 16, 2012

City Manager Norman-Vacha advised Director Radacky has met with many residents, even before the storm. Mr. Giera indicated the residents to the north have all kinds of debris blocking the drainage system. Acting Mayor Bradburn indicated at one time tires were used to prevent erosion. Mr. Giera advised it is more than that and he will do what he can to help.

City Manager Norman-Vacha advised that at the next Council meeting, on August 6th, Director Radacky and staff will be presenting to Council on this very area because of the regional impact. Acting Mayor Bradburn asked for plans for other areas to be addressed as well since other neighborhoods in the City have had extensive complaints as well.

Council Member Burnett reiterated that tires can't be just thrown in the ditches to help erosion, there is a specific technique to that process.

Al Boutin, of 911 Moonlight Lane, advised the drainage ditch runs right behind his house. It is a mud patch for mosquito breeding. He also pointed out it is full of trash and debris. He reiterated the problem with the drainage system. Acting Mayor Bradburn requested he be a part of the meeting with Director Radacky as well.

Nancy Button, of 951 Moonlight Lane, while she appreciates Council's comments about the problem, advised it has been asked of the City to look at this for over 3 years. She indicated she has over \$10,000 damage to her property that the flood and property insurance will not cover, nor will disaster relief. She lives with her 89 year-old mother and the water was 6" from entering her home. Eight of her neighbors were fighting the rising water and debris from the floating islands from the retention pond and she saw no city workers dealing with the road closure.

They were all advised that Director Radacky will be bringing a plan to improve that area to Council and he will advise them of the date.

Council Member Bernardini advised that in an effort to keep taxes down, sometimes we reduce too much. People have been cut and projects have been put on the back burner and the time is coming very quickly that these problems have to be dealt with. And cleaning at the top of the hill only allows the backup at the bottom by the bridge to occur faster. He indicated that at any place the water goes under the road, Cortez and Emerson, for example, there is a lot of accumulation from the rains. It is his hope that something can be done as quickly as possible.

Council Member Burnett ask that the City Manager direct staff to look for short term fixes until the report for a larger fix is approved by Council.

Mr. Geira showed Council a picture of a large log blocking the ditch leading to the bridge.

CONSENT AGENDA

Budget Amendment – Police Department Parking Lot

Consideration of budget amendment for the 2011-12 budget for paving of the police department parking lot.

Mini Excavator Purchase – Department of Public Works

Consideration of purchase of a 2012 Caterpillar Hydraulic Mini Excavator by piggybacking on the Florida Sheriffs Association, Association of Counties and Fire Chiefs Association Bid in the amount of \$41,905.

Public Risk Management Renewal for 2012-13

Consideration to accept preliminary renewal premiums for property, liability and workers' compensation insurance coverage and decision of not exercising Notice of Intent to Withdraw from participation in the PRM Pool effective October 1, 2012.

REGULAR COUNCIL MEETING MINUTES – July 16, 2012

Council Member Bernardini asked if the batting cages are being replaced. City Manager Norman-Vacha advised it has been looked at from several different angles. Without staff to manage the cages all the time, it is better for them to be surplus. They are quite old but still functional. Moving them to the other side by the softball field had been looked at but would cost \$30,000 for the foundation and base. Staff is looking at reclaiming the area for the tennis courts to improve and add to play.

Motion:

Motion was made by Council Member Burnett and seconded by Council Member Hohn for approval of Consent Agenda items 1, 3 & 4. Motion carried 4-0.

Surplus Equipment

Consideration to surplus determined to be obsolete, inoperable or no longer useful.

Motion:

Motion was made by Council Member Bernardini and seconded by Council Member Hohn for approval of Item #2 with the batting cages removed for discussion with the City Manager. Motion carried 4-0.

Council Member Bernardini would like those items that can, be recycled. All others will be auctioned via the normal venue. The batting cages will be brought back to the next meeting for consideration.

REGULAR AGENDA

Ordinance No. 831 – Land Development Code Update

Consideration of an Ordinance amending the City's Land Development Code.

City Planner Steve Gouldman reviewed the changes as referenced in the staff report and in the proposed ordinance. This is the first amendment to the LDC adopted by Council in October of last year and their intent is to bring back modifications twice a year at the most.

The first item is an amendment to Article I and provides language authorizing City Council to adopt by resolution a schedule of application fees for functions performed by the City in response to applications submitted. Currently, the only language addressing application fees is provided in Article VIII and applies to the Planning and Zoning Commission. The language addressing City Council's authority to adopt such a resolution applicable only to the Planning and Zoning Commission is proposed for removal from Article VIII.

In addition to correcting a paragraph numbering error in Section 4-8.46, two substantive modifications to Article IV are proposed. Specifically, a modification to the Alcoholic Beverage Use Permit regulations that establishes a refined approval process. Presently, the approval process for all Alcoholic Beverage Use Permit applications requires review by both the Planning and Zoning Commission and City Council. The proposed modification stipulates that requests for permits that include the sale and public consumption of alcoholic beverages on the licensed premises will be presented to City Council and considered for approval by Resolution. Applications for the sale of alcoholic beverages for consumption off the licensed premises, i.e., commercial use, will be reviewed and approved or denied administratively. The Table of Allowable Uses in Article II is modified to reflect the change to the approval process.

Also proposed as additions to Article IV are landscaping requirements for off-street parking areas and screening provisions for open storage uses. Presently the LDC does not address landscaping of parking areas adjacent to rights-of-way or abutting other properties. The proposed regulations require a landscaped buffer a minimum of five feet in width be provided between the parking area

REGULAR COUNCIL MEETING MINUTES – July 16, 2012

and the right-of-way and between the parking area and adjacent uses as well as different uses on the same site, unless the screening requirements of Section 4-4.3. apply and are more stringent, in which case the more stringent requirements must be met.

Open storage uses are also not addressed in the current LDC. As proposed, open storage areas will be screened from public view through the use of a solid masonry wall, solid PVC or wood fence or other material as may be approved by the Chief Administrative Officer. The screening will be a minimum of six feet in height opaque fence or wall.

The remaining changes to the LDC are to the regulations regarding floodplain management in Article V and Article X, as well as to definitions provided in Article XI. The changes are the result of the State of Florida's requirement that all jurisdictions modify their existing floodplain management regulations. Part 5-5 of the LDC as presently written is proposed for repeal and the language is replaced by the language in the attached ordinance. The language for Article X involving the *Florida Building Code* is as provided by the State of Florida Division of Emergency Management. As recommend by FEMA to all Florida communities, the proposed regulations of Article IV are based on the Florida State Model Ordinance which is designed to ensure that the minimum requirements of the National Flood Insurance Program (NFIP) are met. The attached proposed regulations will bring the City's current Flood Prevention and Protection Ordinance into conformance with Title 44 of the Code of Federal Regulations, as administered by the Federal Emergency Management Agency and the Federal Insurance Administration, and Chapter 163 of the Florida Statutes which mandates that communities enact regulations addressing development in areas subject to seasonal and periodic flooding.

Other than a few formatting issues the ordinance is good to go. The proposed new regulations more clearly specify what you can and cannot do. They make a clearer distinction of who is in charge of certain aspects, be it the Building Official or the Flood Plain Administrator. They also coordinated better with the Florida Building Code for clarification of what they have to do. The last thing, which is optional, is that communities were allowed to modify the building code to add a 1' free board for properties located in flood zones. This will lower the ISO rating and make a huge difference in insurance premiums.

Acting Mayor Bradburn asked if a property is raised 1-2 feet will that homeowner be responsible for the runoff to adjacent properties. City Planner Gouldman advised there will be no additional runoff because the only thing being raised is the foundation of the home. The differences between raising the foundation and creating a berm, as it relates to directional flow, was discussed.

After City Planner Gouldman spoke with the consultant this morning, there will be a couple of changes adding language relating to the building code.

On March 14, 2012, the Planning & Zoning Commission reviewed the proposed changes and recommended Council approval.

Motion:

Motion was made by Council Member Bernardini and seconded by Council Member Burnett for approval.

Acting Mayor Bradburn, regarding wood fences, advised we have no enforcement mechanism in place to dictate upkeep. Council Member Hohn asked if there is enforcement of any types of fences. Acting Mayor Bradburn advised a masonry fence would be structural and felt they could be enforced.

She pointed out that in Article IV, part 4-4.2, it mentions the landscaping shall be in place within 2 years of installation and asked why we are giving that amount of time to fulfill their obligation. City Planner Gouldman advised the minimum is 3' in height or 75% opaque. Typically this is hedge with

REGULAR COUNCIL MEETING MINUTES – July 16, 2012

a 3' minimum spacing and it takes that long for landscaping to mature. She then asked if we have a trigger mechanism for compliance. City Planner Gouldman advised that would be a building requirement, but it is not enforced at this time. Acting Mayor Bradburn requested a follow-up for enforcement be added. City Planner Gouldman advised language would be added that says hedge will be inspected 2-years after installation.

Regarding Item 1, referencing no buffer requirements adjacent to single family or two-family developments, Acting Mayor Bradburn took issue with regard to the two-family developments. She felt there should be a buffer between single and two-family developments, i.e. duplexes, which was discussed.

Following up on Section 6, Item B, regarding barbed wire, electric fences and potentially harmful objects or articles, Acting Mayor Bradburn asked if an industrial property, that is required to build a masonry fence is allowed to install barbed wire or electric fence. City Planner Gouldman advised no.

Referencing Page B-29, Sec. 55.13 Recreational Vehicles and Parked Trailers, under item A-1, Acting Mayor Bradburn would like the word "consecutive" taken out. City Planner Gouldman advised that language is State Statute, as defined by FEMA and the State of Florida and cannot be amended.

On part 4-5.7 Trees, Acting Mayor Bradburn asked that the requirement for trees every 50' be reduced to 40'. City Planner Gouldman offered that a 50' requirement in buffers allows for a larger growth, but advised it can be changed.

The Motion was amended and seconded to include the addition of a trigger mechanism for fences and the reduction of the requirement for the spacing of trees in from 50' to 40'.

City Clerk Peters read Ordinance No. 831 by title, as follows:

AN ORDINANCE BY THE CITY OF BROOKSVILLE, FLORIDA, REPEALING PART 5-5, "FLOOD PREVENTION AND PROTECTION AREAS," OF ARTICLE V, "NATURAL RESOURCES," OF SUBPART B, "LAND DEVELOPMENT CODE," AS AMENDED, OF PART II OF THE CITY OF BROOKSVILLE CODE OF ORDINANCES; AMENDING PART 1-3, "INTERPRETATION AND REGULATORY EFFECT," OF ARTICLE I, "GENERAL PROVISIONS;" AMENDING PART 2-2, "ZONING DISTRICT USES," OF ARTICLE II, "ZONING DISTRICTS, USES AND LOT REQUIREMENTS;" AMENDING PART 4-4, "SUBDIVISION AND SITE DEVELOPMENT REQUIREMENTS," PART 4-5, "LANDSCAPING AND TREE PROTECTION," AND PART 4-8, "SUPPLEMENTAL DESIGN STANDARDS FOR CONDITIONAL USES, SPECIAL EXCEPTIONS AND SPECIAL USES," OF ARTICLE IV, "GENERAL REQUIREMENTS AND SUPPLEMENTAL REGULATIONS;" ADOPTING A NEW PART 5-5, "FLOOD PREVENTION AND PROTECTION AREAS" OF ARTICLE V, "NATURAL RESOURCES," OF SUBPART B, "LAND DEVELOPMENT CODE," AS AMENDED, OF PART II OF THE CITY OF BROOKSVILLE CODE OF ORDINANCES TO INCLUDE ADOPTION OF FLOOD HAZARD MAPS, DESIGNATION OF A FLOODPLAIN ADMINISTRATOR, ADOPTION OF PROCEDURES AND CRITERIA FOR DEVELOPMENT IN FLOOD HAZARD AREAS, AND FOR OTHER PURPOSES; AMENDING PART 8-1, "ADMINISTRATION," OF ARTICLE VIII, "ADMINISTRATION, APPLICATION AND APPEAL PROCEDURES;" AMENDING ARTICLE X, "BUILDINGS AND BUILDING REGULATIONS" OF THE CITY OF BROOKSVILLE CODE

REGULAR COUNCIL MEETING MINUTES – July 16, 2012

OF ORDINANCES TO ADOPT LOCAL ADMINISTRATIVE AMENDMENTS TO THE FLORIDA BUILDING CODE; AMENDING SECTION 11-1.2., “DEFINITIONS,” OF ARTICLE XI, “DEFINITIONS,” OF SUBPART B, “LAND DEVELOPMENT CODE,” AS AMENDED, OF PART II OF THE CITY OF BROOKSVILLE CODE OF ORDINANCES; PROVIDING FOR APPLICABILITY, CONFLICTS AND REPEALER, SEVERABILITY, AND AN EFFECTIVE DATE.

Motion carried 4-0 upon roll call vote, as follows:

Council Member Bernardini	Aye
Council Member Burnett	Aye
Council Member Hohn	Aye
Acting Mayor Bradburn	Aye
Mayor Johnston	Absent

The second reading is scheduled August 6th.

Resolution No. 2012-08 – Council Member Seniority

Consideration of Resolution designating a senior councilmember to be empowered to declare local status of emergency in the absence of the Mayor and Vice Mayor.

Acting Mayor Bradburn reviewed the purpose of the proposed resolution, which was briefly discussed.

Motion:

Motion was made by Council Member Burnett and seconded by Council Member Bernardini for approval of Resolution No. 2012-08.

City Clerk Peters read Resolution No. 2012-08 by title, as follows:

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF BROOKSVILLE, FLORIDA ESTABLISHING CRITERIA FOR DETERMINING THE SENIORITY OF COUNCILMEMBERS WHEN SUCH DESIGNATION IS NEEDED TO FULFILL CITY COUNCIL DUTIES; PROVIDING FOR CONFLICT, SEVERABILITY AND AN EFFECTIVE DATE.

Motion carried 3-1 upon roll call vote as follows:

Council Member Burnett	Aye
Council Member Hohn	Aye
Council Member Bernardini	Aye
Acting Mayor Bradburn	Nay
Mayor Johnston	Absent

Screening Committee Appointment

Consideration of appointment of the Screening Committee to review nominations received for the 2012 Great Brooksvillian.

Acting Mayor Bradburn advised four people applied.

Motion:

Motion was made by Council Member Burnett and seconded by Council Member Bernardini for approval of appointment of the four who applied. Motion carried 4-0.

REGULAR COUNCIL MEETING MINUTES – July 16, 2012

Council consensus was to advertise for a fifth member.

Resolution for the Florida League of Cities

Consideration of Resolution to present to the Florida League of Cities Resolution Committee at their Annual Meeting in August.

City Attorney Battista reviewed the proposed language to be submitted to the Florida League of Cities Resolution Committee regarding the bond issue.

Motion:

Council Member Burnett and seconded by Council Member Bernardini for submission. Motion carried 4-0.

CITIZEN INPUT

Acting Mayor Bradburn asked for public input; there was none.

ITEMS BY COUNCIL

Joe Bernardini, Council Member

Tree Planting in the Park

Council Member Bernardini, referencing the current planting of oak trees at Tom Varn Park, asked if Crepe myrtles can be planted as well for color.

Fire Assessment

Being revenue neutral, he felt all the kinks should have been worked out before it was finalized.

Frankie Burnett, Council Member

Revival at Grace World

Council Member Burnett advised that a revival will be sponsored by The Great Awakening International from July 22nd – 28th. There will also be street ministries in the City of Brooksville.

Staff Appreciation

He expressed appreciation to staff for their hard work

Specialist Clarence Williams

Council Member Bernardini offered condolences to the family of Specialist Clarence Williams. Council Member Burnett requested staff look into the possibility of lowering the flag to half-staff in honor of Specialist Williams.

Kevin Hohn, Council Member

Youth Council

Council Member Hohn requested staff look into the possibility of having a Youth Council.

Public Input

He advised he was very disturbed to hear the stories from citizens about the flooding and damage to their homes and asked if some of the money from the latest grant can be used. City manager Norman-Vacha advised a CDBG for waterlines is being worked on. With Brownfield it would have to be used for hazardous materials. Staff will look for grants for funding drainage projects. Director Radacky advised they are working with SWFWMD to see if a cooperative funding grant can be acquired for the detention facility. He also indicated they are looking to see if storm water

REGULAR COUNCIL MEETING MINUTES – July 16, 2012

mitigation funds can be acquired for this project.

T. Jennene Norman-Vacha, City Manager

Budget Workshop

City manager Norman-Vacha reminded Council of the Budget Workshop on July 31st at 6:00 pm discussing the General Fund. Also a Special Meeting will be advertised for immediately following the workshop to set the trim notice.

She wished the Vice Mayor Happy Birthday, as did the rest of Council.

Lara Bradburn, Acting Mayor

Ditch Witch

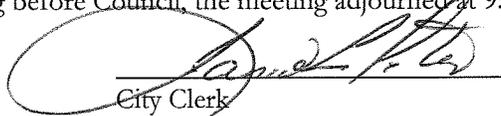
She asked Director Radacky if we have a Ditch Witch. He advised we don't but the Mini-Excavator approved by Council earlier will go far in helping with the ditches.

Specialist Clarence Williams

She reviewed the services for Specialist Clarence Williams, III and offered condolences to the family.

ADJOURNMENT

There being no further business to bring before Council, the meeting adjourned at 9:00 p.m.


City Clerk

Attest: _____
Acting Mayor

**CITY OF BROOKSVILLE
BUDGET WORKSHOP & SPECIAL MEETING
MINUTES**

July 31, 2012

6:00 P.M.

Brooksville City Council met in workshop session with Mayor Joseph E. Johnston, III, Vice Mayor Lara Bradburn, Council Members, Joe Bernardini, Frankie Burnett and Kevin Hohn present. Also present were Robert Battista, City Attorney; T. Jennene Norman-Vacha, City Manager; Janice L. Peters, City Clerk; Steve Baumgartner, Finance Director; Mike Walker, Parks and Recreation Director; Bill Geiger, Community Development Director; Richard Radacky, Interim Director of Public Works; George Turner, Police Chief and Tim Mossgrove, Fire Chief. Members of the Hernando Today and Hernando Times were also present.

The meeting was called to order by Mayor Johnston.

FY2012/13 BUDGET

Overview and General Fund Budget Presentation

Discussion by Council on General Fund Revenues and Expenditures with overall direction.

City Manager Norman-Vacha advised the proposed budget, as presented, is balanced, utilizing 7.5 mills.

Assistant Finance Director Jim Delach reviewed the current General Fund Revenue detail through June as compared to last year. Council was also provided the City Manager's Budget Report, which included details the last 15-years of the General Fund Revenues as well as in-depth details of this year's budget.

Council asked for footnotes referencing variances and projections with documentation of percentages of change for revenues and expenses.

Assistant Finance Director Delach advised that, through the end of June, the budget is down \$210,880, reflecting revenue deficiencies. Over the last 3-year period of 2008-2011, taxpayers were saved a total of \$2,257,448 indicating the City did a lot with a lot less.

City Manager Norman-Vacha reviewed the City Manager's Budget Report graphs reflecting property tax revenue and millage over the last 15-years, as well as Per Capita figures. She advised this Council, along with the management team and staff, has worked very hard to be as effective and efficient as possible. She continued with review of revenue detail beginning on page 6 of the budget. She advised the decline has been so severe it is in our best interest to budget the lesser projected amounts. If things change during August and September, it certainly could affect revenues, but the best guess right now is the continued downturn.

Referencing page 7 of the City Manager's Budget Report, she reviewed the last 15-year history of the State Revenue Sharing and Local Option Gas Tax Revenues, advising it has remained fairly flat revenue, which according to the State, will remain. Vice Mayor Bradburn advised they are projecting a 21% decrease in fuel tax over the next 5-years because of mandates for fuel efficiency coupled with the fact that people are conserving economically; i.e., buying more fuel efficient cars, filling up less often, therefore buying less fuel but more often.

The loss of revenue relating to communication was briefly discussed.

In summary, City Manager Norman-Vacha advised revenues in our highest areas are showing some decline or are stagnant at best. Workshops are also set for August with hearings in September and staff

BUDGET WORKSHOP AND SPECIAL MEETING MINUTES – JULY 31, 2012

may request another workshop at the end of August.

On page 7, referencing court fines, Mayor Johnston asked about the increase of \$19,000 from last year. City Manager Norman-Vacha indicated this year the finance department has projected this based on what has already been collected through June and reflects citations written by the City's Police Officers. Assistant Finance Director Delach reviewed that court fines collected last year through June was \$29,068. So far this year through June, court fines collected are \$53,607, a 184.42% increase over last year.

On the same page, Mayor Johnston referenced Cemetery Sales, which are projected at an increase of \$16,000. City Manager Norman-Vacha advised this is credited to increased marketing by staff.

On page 6, referencing the Brooksville Housing Authority's payment in lieu of taxes, City Manager Norman-Vacha advised, based on their housing collections and activities the Housing Authority is involved in at this time, the revenue is \$0 this year.

Council Member Bernardini, referencing page 5, asked for clarification of the mobile home fees. City Manager Norman-Vacha advised that even though these are General Fund fees, they are in a special revenue fund pledged to pay back bonds. A footnote reflecting this was requested. Vice Mayor Bradburn felt there are greater ways to address mobile homes and the fees charged.

On page 6, Council Member Bernardini asked about the election qualifying fees. City Manager Norman-Vacha advised that, via the Interlocal Agreement with the Supervisor of Elections office, they keep those fees.

Council Member Bernardini asked about the reduction in the facility rental fees. City Manager Norman-Vacha advised that for several years the monies from ECI meetings and rental fees, which are down.

On page 7, Council Member Bernardini asked for clarification in the increase of revenues in Cemetery Miscellaneous Revenues and decrease in JBCC Miscellaneous Revenues. Assistant Finance Director Delach advised all departments that generate revenue has categories. Anything that does not fit those categories goes in miscellaneous, so maybe more is being allocated to specific categories for JBCC. The Cemetery increase can probably be credited to the increased marketing and selling of plants at events, etc. Staff will provide more information to Council regarding this.

Council was advised that 1st Tee is now a separate fund and ½ of a position has been moved into a special revenue fund, resulting in the \$0.

Council Member Hohn, referencing page 1, asked why one staff person is being moved into the newly sub-categorized Business Development. City Manager Norman-Vacha advised that, regarding discussions of Council of investing in volunteers, i.e., the Ambassador of Commerce and Employment Dennis Wilfong, Michael Heard, the Brooksville Vision Foundation, the emphasis has been on creation, retention, and recruitment of jobs for our City. In talking with those who volunteer their time, material and website pieces targeting potential businesses is needed. It is being requested that Council consider moving the Records Management Clerk (Administrative Assistant II) position from the City Manager's office to the Business Development Department. Most of those functions would be absorbed by the City Clerk and Deputy City Clerk positions. Vice Mayor Bradburn preferred that the proposed department be a subcategory within the City Manager's Office.

Referencing the debt schedule, Council Member Hohn recommended refinancing some debt while the interest rates are down. City Manager Norman-Vacha advised staff is working on this.

Regarding Building Permits on page 6, Council Member Hohn asked why the prediction is lower than last

BUDGET WORKWHOP AND SPECIAL MEETING MINUTES – JULY 31, 2012

year's actual since there is an uptake in building. City Manager Norman-Vacha advised it is just an administrative projection. Director Geiger advised the uptake is very small and fees can be very sporadic from year to year and difficult to predict.

Expenditures

City Manager Norman-Vacha, referencing page 3 of the City Manager's Budget Report, continued review of the City Manager Report regarding per-capita costs.

She indicated that in this budget, there are no monies slated for equipment, facilities, or capital improvements. Operating costs are projected the lowest since fiscal year 2005/06, while continuing to face price increases in supplies, materials, fuels, insurance coverage costs. Reductions have only been able to be made with a solid management team and the support of Council. Further reductions in the budget will only be achieved with the elimination of people, programs, and/or services. During this same time period, there have been improved processes, decreased staffing levels, increased productivity, improved efficiencies, better technologies implemented and new ways to cut expenses without elimination of services have been created.

She advised that included in the budget is a flat, no increase or decrease in staffing or personnel. The city is at 86.9 FTE's, a reduction of 35% staffing levels since 2006/07 for the General Fund. Staff levels today are less than 15 years ago.

City Manager Norman-Vacha clarified for Council Member Bernardini that the balanced budget as presented is balanced at the 7.5 mils.

She advised only two changes are recommended for staffing. One is for a cemetery worker who is currently classified as a Park Attendant. The second is the realignment of one staff member from the City Manager's office to Business Development and proposes no increase in staffing dollars.

Pension Plans

Rates have been decreased by the State for the retirement system, but will increase again in July 2013.

A proposal is included to fund a portion of the Police Pension for the equivalent of the regular FRS rate of 5.53% of salary, which equates to just above \$56,000. Regarding the Fire Pension, she advised the current rate is 24.52%, the rate for 2012/13 is 38.34%. That is because the City has its own plan. About \$403,000 of the budget is contributed to the plans.

Health Insurance

She reviewed Attachment 2 of the City Manager's Budget Report documents, which provides options for renewal in healthcare. She pointed out that even with the increase this year we are still below where we were two years ago. Council Member Bernardini requested staff look into combining our health insurance with the County's.

City Manager Norman-Vacha then reviewed general insurance, such as workman's comp, property, automobile, errors and omissions, etc., which reflected a total increase of 9%, which is still over 25% below where the premiums were in 2008/09.

Red Light Camera Revenue Fund

She advised that \$100,000 has been transferred into the General Fund. Brief discussion was had

BUDGET WORKWHOP AND SPECIAL MEETING MINUTES – JULY 31, 2012

concerning the impact of other cities cases regarding this.

Lastly, City Manager Norman-Vacha advised there are no allowances for transfers to the Multi-Capital fund, capital expenditures or the Vehicle Replacement Fund.

Council Member Burnett asked for clarification of, and the City Manager confirmed, the projected 7.5 mills budget. She also confirmed the balanced budget does not include Fire Assessment Fees (FAF). Mayor Johnston asked the status of the FAF. City Manager Norman-Vacha advised we are in the appeal period and hopefully by the 1st Budget Hearing in September staff should have a better view of the process. City Attorney Battista advised that no appeals have been filed. Page 4 of the proposed budget was reviewed, which documents the different millage rate scenarios, with and without the FAF.

Council Member Bernardini advised he does not feel comfortable with a reserve of \$76,093. City Manager Norman-Vacha suggested monies can be found though the elimination of programs, people, or services, and/or a specific amount of the Vehicle Replacement Fund can be allocated for reserves. Options of services were discussed, during which it was noted that there are a lot of redundancies between the City and County services, but the level of services will be different. Council Member Bernardini advised for the record, he is not suggesting that the Fire or Police Departments be eliminated, just that options be looked at. Discussion of options continued.

Council Member Hohn advised there is a big difference between sentiment and practicality and cutting nickels and dimes are not going to get us anywhere. Tough decisions have to be made. Settling for a millage rate increase is the last thing he wants to do. Better response times for fire and police, related to city versus county and better ISO ratings were discussed.

Vice Mayor Bradburn advised staff needs to look at converting the Fire and Police Department pensions to FRS. She wants to see firm numbers on this. Vice Mayor Bradburn also advised she does not want to see anything in this budget continuing to paying pension and retirement funds for Reserve Firefighters. City Manager Norman-Vacha advised it is there because that is what the plan requires. Vice Mayor Bradburn would like this reviewed for a plan change. Mayor Johnston advised it would need to be negotiated. Council Member Burnett felt the City losing Township 22 was the beginning of the problems we are facing today.

Mayor Johnston advised this workshop is to go through the budget preliminarily, announce the roll-back rate and set a tentative millage rate later on. He advised the budget as presented is using a 7.5 millage, which he noted may be set as a maximum.

Page 10

Council Member Bernardini, referencing Police & Fire, asked about the total departmental increases. City Manager Norman-Vacha advised that in the Police department, a couple areas have affected that. Some dollars are associated with salary levels, incentive pay for educational classes, and overtime for holiday pay was revamped. Mayor Johnston felt most of those costs were related to the pensions. City Manager Norman-Vacha will verify.

Page 11

Council Member Bernardini asked for clarification that, as the budget sits balanced today, our reserves are at \$76,093. Mayor Johnston indicated that is at 7.5 mills with no Fire Assessment.

Council Member Hohn, regarding Reserve for Contingencies, asked what dollar amount has been spend year-to-date. City Manager Norman-Vacha advised the Unallocated Reserves is what has not been

BUDGET WORKWHOP AND SPECIAL MEETING MINUTES – JULY 31, 2012

expended but the \$249,051 is not exactly what will come forward because other things have to be considered, such as non-performing revenues and where less money has been spent. It is not a simple carry forward amount. He then asked for the balance of the Unallocated Reserves Fund. Assistant Finance Director Delach advised the \$249,051 is what was expected to be the Unallocated Reserves. He advised page 8 reflects the projected carry-forward of \$227,382. Revenues are down but expenses are up. City Manager Norman-Vacha clarified the carry-forward amounts between revenues and expenditures.

Assistant Finance Director Delach advised that Council direction last year was to have a reserve of 3% of expenses, which was briefly discussed. City Manager Norman-Vacha reminded Council that there is unallocated funds of between \$500,000 and \$750,000 in the Vehicle Replacement Fund.

Council Member Hohn advised money is as cheap as it is ever going to be and if the City was ever going to borrow this would be the year to do it with the low interest rate, versus raising taxes. Assistant Finance Director Delach advised he and Director Baumgartner had been in discussions with SunTrust to come back with a proposal for this.

Vice Mayor Bradburn, for brainstorming purposes, in light of having nothing for infrastructure in the budget, recommended an analysis of what is needed and looking at what paying upfront for those needs would save the City over a 10-year period.

Page 14

City Manager advised \$7,000 for Special Events was added. Council consensus was 3-2 to remove it. Council Member Burnett and Vice Mayor Bradburn opposed, noting the economic benefit of certain events.

Pages 16-17

Council Member Bernardini was adverse to the Business Development position. City Manager Norman-Vacha advised it is no change in the budget. She indicated the position would be to assist Dr. Wilfong and Michael Heard in their efforts to bring new business and jobs to the city, which was discussed.

Page 18

City Manager Norman-Vacha advised Technology Services allocation has been reduced to \$10,000 and covers computers.

Page 19-20

Human Resources. Council Member Bernardini asked about advertising. City Manager Norman-Vacha anticipates some advertising costs.

Pages 23-24

Development. Expenses were reviewed.

Pages 27-28

Police Department. Pension allocations and FTE's were reviewed. Mayor Johnston asked what is included in the Reserves for Public Safety for \$67,000. City Manager Norman-Vacha advised those are salaries for reserve officers.

BUDGET WORKWHOP AND SPECIAL MEETING MINUTES – JULY 31, 2012

Vice Mayor Bradburn asked why Training and Education was cut almost in half. City Manager Norman-Vacha advised there are also funds for training in Fund 104.

Council Member Bernardini asked about the increase in Other Current Charges from 2011 to current. Assistant Finance Director Delach advised it is used for the Police Department lettering and logos.

Council Member Burnett asked what Communication & Freight Charge covers. City Manager Norman-Vacha advised it is related to cell phones, costs occurred for the air cards for the officer's laptops, and CAD modem charges paid through the Sheriff's Office.

Pages 29-30

Fire Department. Council Member Hohn asked if they were hoping to purchase a new truck for \$435,000. City Manager Norman-Vacha advised some debt service was eliminated and there would not be a request at this time.

Pages 31-32

Parks. Council Member Hohn asked what happened with the batting cages. City Manager Norman-Vacha advised the Parks Board will be discussing the issue and it will come to Council on August 20th.

Pages 33-34

Cemetery. Council Member Bernardini pointed out that salaries went up. City Manager Norman-Vacha advised it is the reclassification of one employee. Included in communications is one cell phone, one Cisco phone which costs \$200 per year and services through Brighthouse of \$530 annually for e-mail services since they cannot be connected to the server.

Pages 35-36

Recreation. Council Member Bernardini asked why rentals and leases are going from \$0 - \$3,900. City Manager Norman-Vacha advised it is rentals for movies in the park three times a year.

Pages 37-38

Streets. Vice Mayor Bradburn asked to review the contracts for mowing. It is currently under streets' other contractual services with \$3,000 allocated for mowing. She would like comparisons of contracting versus in-house.

Page 39

Electric – Traffic Lights. Council Member Bernardini asked about the \$4,000. City Manager Norman-Vacha advised it had not been broken down before.

Mayor Johnston asked for public input.

Gail Samples advised the air conditioning fan is noisy.

ADJOURN BUDGET WORKSHOP

Mayor Johnston adjourned the workshop at 8:33 p.m. followed by a short break.

BUDGET WORKWHOP AND SPECIAL MEETING MINUTES – JULY 31, 2012

SPECIAL MEETING

The Special Meeting of City Council convened at 8:41 p.m.

Council Member Bernardini asked if the Public Service Tax is based on the total electric bill. Assistant Finance Director Delach advised no.

An invocation and Pledge of Allegiance was led by Vice Mayor Bradburn.

REGULAR AGENDA

Adoption of Current Year Proposed Millage rate for FY2012/13 Budget

Announcement of rolled-back rate and establish the budget hearing for September 12 and 26, 2012, at 6:00 p.m.

Assistant Finance Director Jim Delach reviewed the State of Florida Truth in Millage requirements and dates of the Budget Hearings of September 12 and 26, 2012.

Motion:

Motion was made by Council Member Burnett for adoption of a rollback rate of 8 mills. Motion died for lack of second.

Vice Mayor Bradburn advised the budget is barely balanced at 7.5 mills and allows for no Capital Improvements or emergency improvements, but allows a lot of money for pensions. Council Member Bernardini advised he favors setting it at the max as Council Member Burnett suggested up to 10 mills because you can always lower it. Vice Mayor Bradburn is hopeful the proposed 7.5 mills will not be approved in the end.

Motion:

Motion was made by Vice Mayor Bradburn and seconded by Council Member Hohn acceptance of 7.5 mills.

Council Member Bernardini felt Council is boxing themselves in. Council Member Hohn felt there to be plenty of room to adjust the budget. Council Member Burnett advised he recommended 8 mills for the extra room but hopes it will be lower than the 7.5 mills.

Mayor Johnston is willing to go along with it to get things done but feels it cannot keep going at this rate.

Motion carried 3-2 with Council Member Bernardini and Council Member Burnett voting in opposition.

Motion:

Motion was made by Council Member Bernardini and seconded by Council Member Hohn for acceptance of the budget hearing dates of September 12th and 26th at 6:30 p.m. Motion carried 4-1 with Mayor Johnston voting in opposition.

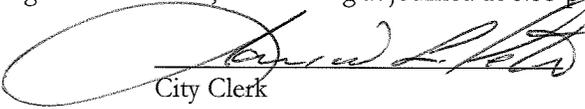
CITIZEN INPUT

Mayor Johnston asked for public input; there was none.

BUDGET WORKWHOP AND SPECIAL MEETING MINUTES – JULY 31, 2012

ADJOURNMENT

There being no further business to bring before Council, the meeting adjourned at 8:55 p.m.


City Clerk

Attest: _____
Mayor



AGENDA ITEM MEMORANDUM

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS
VIA: T. JENNENE NORMAN-VACHA, CITY MANAGER
FROM: BILL GEIGER, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: CITY HEARING OFFICER CONTRACT

DATE: September 17, 2012

GENERAL SUMMARY/BACKGROUND: On October 19, 2009, the City of Brooksville entered into an agreement for Code Enforcement Hearing Officer/Special Master Professional Services with Kenneth L. Warnstadt, Esquire. The term of the agreement was for one (1) year with two (2) additional one (1) year extensions. The last extension of the original agreement expires on October 19, 2012.

Code Enforcement and the City Police department have been satisfied with Attorney Warnstadt's services. Staff contacted Attorney Warnstadt and he is in agreement with a new contract under the same conditions, with automatic annual renewals unless either party gives notice of cancellation.

The new contract also incorporates the addendum to the current contract, approved by Council on April 5, 2010, which retains Attorney Warnstadt to serve in limited capacity where the City Attorney has identified a non-waivable conflict of interest.

BUDGET IMPACT: Funding would be provided through user Department's Line Item Accounts throughout the term of the Contract. The proposed contract is for \$150.00 per hour, as reflected in the original Contract, with a 2-hour minimum.

LEGAL REVIEW: The City Council has Home Rule Authority (Art. VIII, 2(b), Fla. Const./Section 166.011, F.S.) to consider matters of fiscal benefit. The Code of Ordinances, City of Brooksville, Chapter 2, Article III, Division 4, Sec. 2-192, provides for the creation of a code enforcement hearing officer.

STAFF RECOMMENDATION: Authorize the City Manager to coordinate and execute the necessary paperwork with Kenneth L Warnstadt, Esquire to enable the City to enter into a new contract, utilizing the existing conditions, with annual renewals.

ATTACHMENTS: Agreement

AGREEMENT FOR PROFESSIONAL SERVICES FOR CODE ENFORCEMENT HEARING OFFICER/SPECIAL MASTER

This Agreement made as of this ___ day of _____, 2012 by and between the City of Brooksville, Florida, a municipal corporation duly organized under the laws of the State of Florida, by and through its duly authorized representative, (the "CITY"), whose address is 201 Howell Avenue, Brooksville, Florida 34601 and KENNETH L. WARNSTADT, Esquire, (the "ATTORNEY"), whose address is Post Office Box 594, Brooksville, Florida, 34605-0594.

In consideration of the mutual promises and covenants herein contained, the receipt and sufficiency of which is hereby acknowledged, the CITY and the ATTORNEY (collectively, the "PARTIES") agree as follows:

ARTICLE 1 – SCOPE OF SERVICES

The ATTORNEY'S responsibility under this Agreement is to serve as the Code Enforcement Hearing Officer/Special Master ("Special Master") pursuant to Fla. Stat. 162, (Special Master shall be synonymous with "Special Magistrate") and pursuant to the terms of the City's Code of Ordinances, as they may be amended from time to time. The Special Master shall have the right to adopt procedures for the conduct of hearings, subpoena violators and witnesses, address admission of evidence, hold hearings, take testimony under oath, consider and decide appeals, decide charged code violations, and issue findings of fact and conclusions of law and draft orders and such other services as are appropriate to implement the responsibilities of a Special Master. The Special Master shall not participate as attorney for the City in any appeal or petition for writ of certiorari of any decision of the Special Master.

Additionally, ATTORNEY shall serve in limited capacity as conflict legal counsel when the City Attorney has a non-waivable conflict of interest regarding any matter before the City Council.

ARTICLE 2 – HEARING SCHEDULE

The ATTORNEY shall preside at either of two types of hearings which shall be scheduled on a regular and recurring basis to be held downtown at City Hall in the City Council Chambers, 201 Howell Avenue, Brooksville, Florida. The date and times for the hearings shall be scheduled by the CITY after consultation with the ATTORNEY, City Attorney, and the Code Enforcement Department. All notices required to be mailed, delivered, posted or served for a code enforcement hearing or a citation appeal shall be prepared and mailed, delivered, posted or served by the CITY. In the event that a scheduled hearing date is cancelled, the CITY shall provide no less than forty-eight (48) hours notice to ATTORNEY.

ARTICLE 3 – CONFLICT OF INTEREST/PROFESSIONAL RESPONSIBILITY

ATTORNEY shall not be prohibited from handling privately retained cases in his or her private practice so long as it does not otherwise interfere with the Special Master obligations under this Agreement. ATTORNEY shall promptly notify CITY of any ethical conflicts that may arise or if for some reason ATTORNEY feels it would be inappropriate for him or her to hear and deliberate any given individual's alleged violation. The ATTORNEY agrees and covenants that he or she shall perform the legal services described herein while at all times complying with the requirements of the Code of Professional Responsibility and the Disciplinary Rules of The Florida

Bar. Any actions by the ATTORNEY or his agents that do not comport with the Code of Professional Responsibility and the Disciplinary Rules of the Florida Bar shall be the sole responsibility and liability of the ATTORNEY.

ARTICLE 4 – COMPENSATION/PAYMENTS

The CITY shall pay to the ATTORNEY for services satisfactorily performed one-hundred fifty dollars (\$150) per hour for each hour or fraction thereof with a minimum of two (2) hours for any scheduled hearing. In the event any scheduled hearing date is cancelled entirely with less than forty-eight (48) hours notice to ATTORNEY, CITY shall pay ATTORNEY a minimum charge of two (2) hours at the rate set forth in this paragraph. The ATTORNEY will invoice the CITY monthly showing time billed in one-tenths (1/10) of an hour increments. The invoice must specify the service performed, including the type of hearing and matter heard, and time spent. The invoices received from the ATTORNEY pursuant to this Agreement will be reviewed and approved by CITY MANAGER, or his or her designee, indicating that services have been rendered in conformity with the Agreement and then will be sent to the Finance Department for payment.

ARTICLE 5 – TERM, EXTENSION/RENEWAL AND TERMINATION

This Agreement shall be for a term of one (1) year from the date noted above and may be terminated at any time, with or without cause, after execution with thirty (30) days written notice from either party to the other. Unless the ATTORNEY is in breach of this Agreement, the ATTORNEY shall be paid for services rendered to the CITY'S satisfaction through the date of termination. After receipt of a termination notice, and except as otherwise directed by the CITY, the ATTORNEY shall: (1) preside over any scheduled hearings during the thirty (30) day notice period; (2) complete all duties including, but not limited to rendering written opinions or findings of fact and conclusions of law in any case pending or heard by the Special Master prior to termination; (3) prepare and issue all orders relating to hearings heard prior to termination; and (4) transfer documentation and other material related to the hearing process to the CITY.

In the event written termination notice is not given by either party to this AGREEMENT to the other party at least thirty (30) days prior to the Termination Date as herein provided, this AGREEMENT shall be extended on the same terms and provisions contained herein, and at the same rate of compensation, provided the ATTORNEY shall agree with such an extension of term as herein provided and for an additional one (1) year period. Said AGREEMENT shall continue thereafter for successive one (1) year periods unless either party hereto gives notice as provided herein.

In the event the rate of compensation is renegotiated, or where any other provision or condition as stipulated herein is changed or altered in any manner, then such extension or change of provision or condition shall be memorialized by an addendum, hereto executed by the PARTIES.

ARTICLE 6 – NON-EXCLUSIVITY

This is not an exclusive contract and does not guarantee ATTORNEY will receive a minimum payment each month or that he or she will have cases to be heard each month or duties to perform. Further, CITY reserves the right to hire other individuals as Special Master during the term of this Agreement.

ARTICLE 7 - AUTHORITY TO PRACTICE

The ATTORNEY, by executing this agreement hereby represents and warrants that he or she is fully qualified to perform the function of SPECIAL MASTER as prescribed herein and as set forth in Fla. Stat. 162; and that the ATTORNEY is and will continue to be a member in good standing of The Florida Bar; and has and will maintain all licenses required to perform the services rendered under this Agreement.

ARTICLE 8 – INDEPENDENT CONTRACTOR; FEDERAL AND STATE TAX

The ATTORNEY is, and shall be, in the performance of all services and activities under this Agreement, an independent contractor, and not an employee, agent, or servant of the CITY; and no provisions of the CITY’S personnel policies shall apply to this Agreement. The ATTORNEY shall be responsible for payment of his/her own FICA and Social Security payroll taxes with respect to this Agreement. None of the benefits provided by CITY to its employees including, but not limited to, Worker’s Compensation Insurance and Unemployment Insurance, are available from CITY to the ATTORNEY, or its employees, agents or servants.

ARTICLE 9 – INDEMNIFICATION AND INSURANCE

ATTORNEY shall be solely and entirely responsible for his tortious acts and for the tortious acts of his or her agents, employees, or servants during the performance of this Agreement. The ATTORNEY agrees to indemnify and hold harmless the CITY, its agents, employees and officers from and against all liabilities, claims, demands, or actions at law and equity including court costs and attorney’s fees that may hereafter at any time be made or brought by anyone for the purposes of enforcing a claim on account of any injury or damage allegedly caused or occurring to any person or property in which was caused in whole or in part by any tortious, wrongful, or intentional acts or omissions of ATTORNEY, his or her agents, or employees during performance under this Agreement. If permitted by law, the Special Master shall be allowed to partake of the benefits of sovereign immunity provided by Section 768.28, Florida Statutes, as it may be amended from time to time.

ARTICLE 10 – NOTICE

All notices, demands, and other writings either required and/or permitted under this Agreement shall be deemed to have been fully given, made, or sent when it is either: (a) prepared in writing and deposited in the United States Mail, postage pre-paid, and properly addressed to the Party to be notified at the address noted below; or (b) actually delivered by a nationally recognized courier service, with receipt thereof by the addressee being acknowledged by an authorized signature. Any notice or disclosure required and/or permitted under this Agreement, and any change of the address and/or identity of a person to be notified shall be made in accordance with the above notice provision, and such notices shall be sent to:

If to ATTORNEY:

KEN WARNSTADT
P.O. Box 594
Brooksville, FL 34605-0594

If to CITY:

City Manager
City of Brooksville
201 Howell Avenue
Brooksville, FL 34601

With a Copy To:

City Attorney
c/o The Hogan Law Firm
20 S. Broad Street
Brooksville, FL 34601

ARTICLE 11 - DISCLOSURE AND OWNERSHIP OF DOCUMENTS

All written and oral information not in the public domain or not previously known, and all information and data obtained, developed, or supplied by the CITY or at its expense will be kept confidential by the ATTORNEY and will not be disclosed to any other party, directly or indirectly, without the CITY'S prior written consent. Such information and data shall be and remain the CITY'S property and may be reproduced and reused at the discretion of the CITY. All documents generated by the ATTORNEY for the CITY become the property of the CITY. The CITY may require submission of any electronic file version of reports, data, or other submission of documentation produced for or as a result of the services performed under this Agreement. The CITY and the ATTORNEY shall comply with the provisions of the Florida Public Records Law.

ARTICLE 12 - ASSIGNMENT, AMENDMENT OR MODIFICATION

The ATTORNEY shall not sell, transfer, assign or otherwise dispose of the AGREEMENT or any portion thereof, or of his or her right, title, or interest therein, without prior written consent of the CITY. None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superseded or otherwise altered, except by a written instrument executed by the PARTIES hereto.

ARTICLE 13 - GOVERNING LAW

All questions, issues or disputes arising out of or under this Agreement, shall be governed by the laws of the State of Florida. State jurisdiction is hereby agreed by Party/Parties to be in Hernando County, Florida. Federal jurisdiction is hereby agreed by Party/Parties to be in the Middle District of Florida, and all Federal litigation shall be filed and litigated in Tampa, Hillsborough County, Florida. In the event suit is commenced to enforce this Agreement, costs of said suit including reasonable attorneys fees in all proceedings, trials, investigations, appearances, appeals and in any bankruptcy proceeding or administrative proceeding shall be paid to the prevailing party by the other party. In the event that any litigation is commenced by either party to enforce this Agreement, the action will be filed and litigated, if necessary, in a Court of competent jurisdiction located in Hernando County, Florida; and if either Party elects to bring such action in Hernando County, Florida, Party/Parties waive(s) any and all rights to have this action brought in any place other than Hernando County, Florida, under applicable venue laws. Party/Parties hereby agree(s) that the jurisdiction and venue of all disputes arising out of this Agreement lie in no Court other than those stated above.

ARTICLE 14 - GENERAL

The invalidity of any provision of this Agreement or any covenant herein contained on the part of any Party shall not affect the validity of any other provision or covenant hereof or herein contained, which shall remain in full force and effect. Party/Parties agree(s) to sign all such documents and do all such things as may be necessary or desirable to completely and effectively carry out the terms and conditions of this Agreement. Time shall be of the essence of this Agreement. In this agreement, where the singular and masculine are used, they shall be construed as if the plural or the feminine or the neuter had been used where the context or the party or parties so requires, and the rest of the sentence shall be construed as if the grammatical and the terminological changes thereby rendered necessary had been made. Paragraph headings are provided as an organizational convenience and are not meant to be construed as material provisions of this

agreement. Party/Parties agree(s) that this Agreement is consummated and entered into in Hernando County, Florida.

ARTICLE 15 – SEVERABILITY

Whenever possible each provision and term of this Agreement will be interpreted in a manner to be effective and valid, but if any provision or term of this Agreement is held to be prohibited or invalid, then such provision or term will be ineffective only to the extent of such prohibition or invalidity, without invalidating or affecting in any manner whatsoever the remainder of such provision or term or the remaining provisions or terms of this Agreement.

ARTICLE 16 - ATTORNEYS' FEES

If any action is commenced to construe or enforce this Agreement or the rights and duties created hereunder, then the Party prevailing in that action shall be entitled to recover its costs and fees in that action, the cost and fees incurred in any appeal thereof, and the costs and fees incurred in enforcing any judgment entered herein.

IN WITNESS WHEREOF, the Parties hereto, **KENNETH L. WARNSTADT**, and the **CITY OF BROOKSVILLE, FLORIDA**, respectively, have executed and attested this Agreement, and caused their seals to be affixed hereto, effective as of the day and year first above written, for the purposes herein expressed, and with the intent that both they and their respective successors and assigns shall be hereby bound.

Witness

By: _____
KENNETH L. WARNSTADT, Esq.

Witness

Date signed: _____

ATTEST:
(Seal)

City Of Brooksville, a municipal corporation
of the State of Florida

By: _____
JANICE PETERS, CMC
As its City Clerk
Date signed: _____

By: _____
JOSEPH E. JOHNSTON, III
As its Mayor
Date signed: _____

Approved as to legal form for the reliance of
the City of Brooksville.

By: _____
Thomas S. Hogan, Jr., City Attorney
Date signed: _____



**CONSENT AGENDA ITEM
MEMORANDUM**

TO: THE HONORABLE MAYOR AND CITY COUNCILMEN

VIA: T. JENNENE NORMAN-VACHA, CITY MANAGER

**FROM: *Richard W. Radack*
RICHARD W. RADACKY, PUBLIC WORKS DIRECTOR**

SUBJECT: VACUUM EXCAVATOR PURCHASE

DATE: August 15, 2012

GENERAL SUMMARY/BACKGROUND: The Utilities Division of the Public Works Department is requesting Council approval to purchase a portable vacuum excavator. This excavator can remove a variety of wet or dry materials without power or shovel digging. It is essentially a very strong diesel-powered vacuum that deposits the material in a large easily-emptied tank. Typical uses include valve and meter box cleaning, shallow-repair excavations, location excavations, and manhole cleanouts. The proposed unit is self-contained, trailer-mounted, and can be towed to job sites without any additional licensure for the driver. These units are desired in tightly-congested digs to avoid damage to other utilities.

This unit will allow two-man crews to safely accomplish excavations that would normally require a larger backhoe and crew. This unit will be excellent for meter sets and smaller line repairs. Attached is a brochure with pictures showing the equipment.

The trailer mounted excavator is better suited for small cities. A larger version, a jet-vac, is truck mounted and costs considerably more to purchase and operate.

Staff recommends purchase of the Vac-Tron brand unit through the Florida Sheriffs' Association, Association of Counties, and Fire Chiefs' Association Bid Number 11-19-0907 for \$44,758.

BUDGET IMPACT: A total of \$45,000 was planned in the FY2011/2012 Budget from Account Line Item 401-000-166-19037, within the Public Works Water & Wastewater Fund.

RB

LEGAL REVIEW: Council has home-rule authority (Article VIII, 2(b), Florida Constitution/Section 166.011, Florida Statutes) to consider matters of fiscal and intergovernmental benefit. Pursuant to Section 5.04 of the City Charter, competitive bidding is required except to the extent that Council authorizes otherwise by ordinance. Pursuant to Section 2-304 (a) (1) and (2) of the Code of Ordinances, the amount of expenditure for which the City may obligate itself without competitive bidding by the City is increased provided: (1) the City Manager recommends to the City Council that a specific purchase be made by piggybacking on an award by another governmental

entity's competitive bidding process; and (2) the other governmental entity's competitive bidding process provides substantially equivalent guarantees of fairness and competitiveness to those of the City.

STAFF RECOMMENDATION: Staff recommends City Council approve the purchase of a 2013 Vac-Tron LP855DT Vacuum Excavator, with specified options, from Vermeer Southeast Sales and Service, Inc., utilizing the Florida Sheriffs' Association, Association of Counties, and Fire Chiefs' Association Bid Number 11-19-0907, in the amount of \$44,758.

ATTACHMENTS:

1. Quotation & Specifications from Vermeer Southeast/Sales & Service
2. Florida Sheriffs' Association, Association of Counties, and Fire Chiefs' Association Contract Quote- Vacuum Excavator

Attachment 1

Quotation & Specifications from
Vermeer Southeast/Sales & Service



Vermeer Southeast Sales & Service, Inc.
 12785 44th Street North
 Clearwater, Florida 33762

Quote

Customer

Name City of Brooksvile
 Address 600 S Brooksville Ave
 City Brooksville State FL ZIP 34601
 Attention _____

Misc

Date 7/18/2012
 Order No. _____
 Rep Darrin Jensen
 FOB CLW

Qty	Description	Unit Price	TOTAL
1	New LP855DT Vac pot hole trailer, 36 hp Yanmar Diesel, 580 CFM 800 Gal debrie tank, 4000psi @ 4GPM high pressure water system 2 100 gallon water tanks, empty weight of trailer unit 6,190 lb, Reverse pressure to off load liquids, 33'X3" suction hose with tools Hydraulically operated full open and lock rear door, Water knife and clean up wand, low profile torsion Axels (14,000 GVWR), 2 year factory warranty Florida Sheriff Contract Bid price Contract number (11-19-0907)	\$ 44,758.00	\$ -

SubTotal	\$ -
Shipping	\$ -
Tax Rate(s)	\$ -
TOTAL	\$ -

Payment Other

Comments Prices good for 30 days
 Name _____
 CC # _____
 Expires _____

All warranties, if any, made with respect to this equipment are those warranties made by the Manufacturer. DEALER MAKES NO WARRANTIES EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY AND FITNESS OF A PARTICULAR PURPOSE.

Customer Signature _____



We Made Digging Safer

1-888-VAC-TRON

1 - 8 8 8 - 8 2 2 - 8 7 6 6

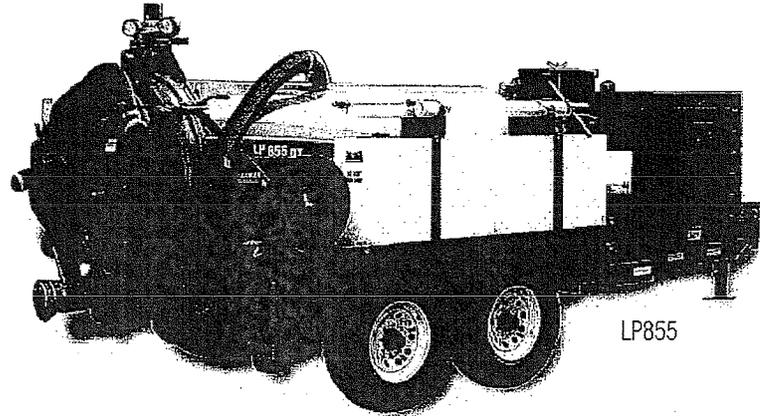
www.vactron.com

A Leader in Portable Trailer-Mounted Vacuum Equipment

The All New Low Profile LP555 & 855

Easier maneuverability makes
this the standard in the
industry

TWO-YEAR FACTORY WARRANTY



LP855

LP555/855 DT (trailer-mounted)

- 36 hp (26.8 kW) Yanmar water-cooled diesel engine
- 580 cfm vacuum pump capable of 15" (38.1 cm) of mercury
- Reverse pressure to off-load liquids and dislodge debris in hose
- 500/800 gal (1892.7/3028.3 L) debris tank with hydraulic lift dump
- Hydraulically operated full-open rear door
- 33' (10 m) of 3" (7.6 cm) lightweight smooth bore rubber suction hose – (industrial rated); 4" (10.7 cm) hose option available
- Two 3" (7.6 cm) lightweight dielectric suction wands – 4' (1.2 m) & 6' (1.8 m)
- Empty weight of LP555 unit with trailer: 5940 lb (2694.3 kg)
- Empty weight of LP855 unit with trailer: 6190 lb (2807.7 kg)

LP555/855 SDT (trailer-mounted)

- 49 hp (36.5 kW) Yanmar water-cooled diesel engine
- 1000 cfm vacuum pump capable of 15" (38.1 m) of mercury
- Reverse pressure to off-load liquids and dislodge debris in hose
- 500/800 gal (1892.7/3028.3 L) debris tank with hydraulic lift dump
- Hydraulically operated full-open rear door
- 33' (10 m) of 3" (7.6 cm) lightweight smooth bore rubber suction hose – (industrial rated); 4" (10.7 cm) hose option available
- Two 3" (7.6 cm) lightweight dielectric suction wands – 4' (1.2 m) & 6' (1.8 m)
- Empty weight of LP555 unit with trailer: 6140 lb (2785.1 kg)
- Empty weight of LP855 unit with trailer: 6340 lb (2875.8 kg)

Optional Compressed Air System (powered by main engine)

- 83 hp (61.9 kW) Yanmar diesel engine
- 150 cfm at 170 psi (11.7 bar)
- 50' (15.2 m) of high-pressure air hose
- Retractable hose reel
- 6' (1.8 m) fiberglass air knife
- Available with the high cfm vacuum pump only (1000 cfm)
- Hi/Low psi switch for running pneumatic tools

General

- Lockable curbside remote controls
- Hydraulic pump and hydraulic cylinders with remote controls to raise tank 60 degrees
- Suction hose storage on rear door of debris tank (33' (10.1 m))
- 6" (15.2 cm) stainless steel portal shutoff in top of vacuum tank
- 15 gal (56.8 L) fuel tank
- 6" (15.2 cm) amber strobe with two adjustable halogen work lights
- (2) DOT safety cones
- Battery with nationwide warranty

○ TWO-YEAR FACTORY WARRANTY

Equipment shown is for illustrative purposes only and may display optional accessories or components. Please contact your local Vermeer dealer for more information about machine specifications. Vermeer and the Vermeer logo are registered trademarks of Vermeer Manufacturing Company in the U.S. and/or other countries. Vac-Tron Equipment is a registered trademark of Vac-Tron Equipment, LLC © 2010 Vermeer Corporation. All Rights Reserved. Printed in the U.S.A.

Available At 120 Dealer Outlets

Vac-Tron LP555 & 855 DT/SDT SERIES SPECIFICATIONS

Engine Enclosure

- Fully enclosed and insulated to reduce noise and vibration using 2/3 open-cell attenuation material
- Both sides of engine enclosure open on hinges for ease of maintenance and service
- All service points for engine are accessible from curbside
- Silencer for vacuum pump mounted below the enclosure and not to exceed 80 dBA at full performance
- High-pressure water and vacuum pumps inside engine enclosure

Filtration

- Bag House (Big Red) – with 100 sq. ft. (30.5 sq. m) filtration media, combined with 60 gal (227.1 L) water trap
- Filtration cylinders are washable and removable
- WET or DRY industrial filters rated at 5:1 air cloth ratio and grain loading of 30-g/acf using 0.5-micron silica dust emissions of .0060 g/acf

Water

- 4000 psi (275 bar) at 4 gpm (15.1 L/min) water pump powered by same engine
- Electric clutch with on/off control and low-water automatic shutdown
- 200 gal (757.1 L) total water capacity [2 poly water tanks 100 gal (378.5 L) each, plumbed to high-pressure pump]
- 50' (15.2 m) of high-pressure hose
- Self-retracting hose reel
- 5' (1.5 m) roto wand and control handle
- 3' (.9 m) variable nozzle wand for cleanup
- 8 gal (30.3 L) semi-automatic antifreeze system
- LP Heavy – optional/upgraded water package – 300 gal (1135.6 L) total water, heavier axles, heavier tires and rims
- LP Lite – optional 9995 lb (4533.7 kg) GVWR (CDL) 100 gal (378.5 L) total water, 400 gal (1514.2 L) debris load

Control Panel

- Waterproof and lockable
- Integrated into the engine stand (curbside for easy operation)
- Vacuum pressure gauge
- Key switch
- Electronic throttle switch
- Water pump switch
- Lights and DOT strobe controls
- Volt meter
- Hour meter
- Breakers for water pump and electronic throttle
- Oil pressure gauge
- Water temperature gauge
- Fuel gauge

Lower Profile Means Greater Maneuverability

With a lower profile and center of gravity, Vac-Tron's new LP555 & 855DT/SDT are easier to maneuver in tight places and offer greater rearview visibility. Their pressurized tanks and hydraulically-operated, full-open/locked rear doors, these machines win head-to-head comparisons...hands down.

Tank

- Full-open rear door
- Hydraulically opened rear door with push-button controls
- UHMW polymer tank liner on bottom of debris tank
- 6" (15.2 cm) brass rear discharge valve with dust cap
- Large 6" (15.2 cm) stainless steel portal shutoff (stops vacuum when debris tank is full)
- Twin hydraulic cylinders for dumping

Trailer

- Dual "DEXTER" torsion axles rated at 6000 lb (2721.6 kg) each on LP555 and 7000 lb (3175.1 kg) on LP855
- GVWR at 12,000 lb (5443.1 kg) on LP555 and 14,000 lb (6350.3 kg) GVWR on LP855
- 10,000 lb (4535.9 kg) jack stand with spring-loaded foot
- I-beam constructed heavy-duty trailer
- Pintle hitch
- Electric brakes on both axles, with safety breakaway
- 4 – LT235/75R16 tires with 8 lug wheels (555);
4 – LT235/85R16 tires with 8 lug wheels (855)
- LP855 Heavy – 19,000 lb (8618.3 kg) GVWR;
LP555 Heavy – 14,000 lb (6350.3 kg) GVWR,
LP555 Light – 9,995 lb (4533.7 kg) GVWR

Boom (Optional)

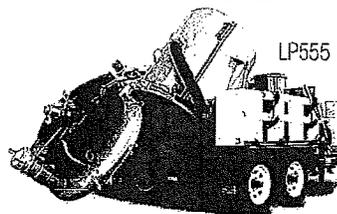
- 4" (10.2 cm) pickup hose
- 6-way movement
- Completely self-contained
- Hydraulically powered in/out and up/down
- Hydraulic rotating optional
- Optional wireless remote
- Safe tank-mounted nesting area
- 360 degree movement

Dimensions

- LP555
Length: 18.5' (5.6 m), Width: 90" (228.6 cm), Height: 83" (210.8 cm)
- LP855
Length: 21.5' (6.6 m), Width: 90" (228.6 cm), Height: 83" (210.8 cm)

CALL FOR FREE DEMO 1-888-VAC-TRON

1 - 8 8 8 - 8 2 2 - 8 7 6 6



GSA #GS-07F-0700N



We Made Digging Safer

www.vactron.com



madeinusa.com

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Attachment 2

Florida Sheriffs' Association, Association of Counties,
and Fire Chiefs' Association Contract
Quote- Vacuum Excavator



**FLORIDA SHERIFFS ASSOCIATION,
FLORIDA ASSOCIATION OF COUNTIES &
FLORIDA FIRE CHIEFS' ASSOCIATION**

**VACUUM EXCAVATOR, TRAILER MOUNTED - 14,000 LB. GVWR
SPECIFICATION #62**

2012 Vactron LP 855DT

The Vactron LP 855DT purchased through this contract comes with all the standard equipment as specified by the manufacturer for this model and FSA's base vehicle specification(s) requirements which are included and made a part of this contract's vehicle base price as awarded by specification by zone.

ZONE:	★ Western	★ Northern	★ Central	★ Southern
BASE PRICE:	\$44,758.00	\$44,758.00	\$44,758.00	\$44,785.00

While the Florida Sheriffs Association, Florida Association of Counties and Florida Fire Chiefs' Association have attempted to identify and include those equipment items most often requested by participating agencies for full size vehicles, we realize equipment needs and preferences are going to vary from agency to agency. In an effort to incorporate flexibility into our program, we have created specific add/delete options which allow the purchaser to tailor the vehicle to their particular wants or needs.

The following equipment delete and add options and their related cost are provided here to assist you in approximating the total cost of the type vehicle(s) you wish to order through this program. Simply deduct the cost of any of the following equipment items you wish deleted from the base unit cost and/or add the cost of any equipment items you wish added to the base unit cost to determine the approximate cost of the type vehicle(s) you wish to order.

NOTE: An official listing of all add/delete options and their prices should be obtained from the appropriate dealer in your zone when preparing your order. Additional add/delete options other than those listed here may be available through the dealers, however, those listed here must be honored by the dealers in your zone at the stated prices.

VEHICLE: LP 855DT
DEALER: Vermeer Southeast Vermeer Southeast Vermeer Southeast Vermeer Southeast
ZONE: ★ Western ★ Northern ★ Central ★ Southern
BASE PRICE: \$44,758.00 \$44,758.00 \$44,758.00 \$44,785.00

Order Code	Delete Options	All Zones
CS500GT ¹	Downgrade to small excavator - specify CS500GT VAC ¹	\$19,000.00 ¹
LP305GT ¹	Downgrade to small excavator - specify LP305GT ¹	\$12,000.00 ¹
LP855DT	Downgrade to small excavator - specify LP855DT VAC ¹	\$22,000.00 ¹
	Downgrade to small excavator - specify	
	Downgrade to small excavator - specify	
	Downgrade to small excavator - specify	
	Delete hydraulic boom to manual	
	Optional equipment delete - specify	
	Optional equipment delete - specify	
	Optional equipment delete - specify	

Order Code	Add Options	All Zones
LP855SDT ¹	Model upgrade - specify LP855SDT VAC ¹	\$8,000.00 ¹
EJACK	Electric torque jack ELECTRIC JACK	\$1,170.00 ¹
EGUN ¹	Emulsifier gun EMULSIFIER GUN ¹	\$770.00 ¹
AUX	Auxiliary hydraulics AUXILIARY HYDRAULICS	\$5,110.00 ¹
STIRE ¹	Spare tire SPARE TIRE ¹	\$540.00 ¹
ABOARD	Arrow board ARROW BOARD	\$2,180.00 ¹
ABRAKES ¹	Air brakes AIR BRAKES ¹	\$9,280.00 ¹
GNECK	Gooseneck hitch GOOSENECK	\$4,460.00 ¹
AIR555 ¹	Optional equipment - specify AIR555SDT ¹	\$30,095.00 ¹

VEHICLE: LP 855DT
DEALER: Vermeer Southeast Vermeer Southeast Vermeer Southeast Vermeer Southeast
ZONE: ★ Western ★ Northern ★ Central ★ Southern
BASE PRICE: \$44,758.00 \$44,758.00 \$44,758.00 \$44,785.00

Optional equipment - specify		
FM ¹	Optional equipment - specify FLOWMASTER ¹	\$10,920.00 ¹
Optional equipment - specify		
BOOM ¹	Optional equipment - specify HYDRAULIC BOOM ¹	\$8,220.00 ¹
Optional equipment - specify		
TAG ¹	New state tag (specify state, county, city, sheriff, etc.) TAG ¹	\$220.00 ¹
Transfer existing registration (must provide registration)		
Temporary tag		
Maintenance Plan - specify		
Maintenance Plan - specify		
WARR	Warranty - specify	Incl.
Warranty - specify		
% Discount	Discount percentage in manufacturer's current published list prices for non-specific options and any optional model kit. This discount ONLY APPLIES for downgrade or an upgrade (with model listed in the specification) to get more value, or completely different make or model. This discount is applied to the manufacturer's current published list prices.	



**CONSENT AGENDA ITEM
MEMORANDUM**

TO: HONORABLE MAYOR AND CITY COUNCILMEN
VIA: T. JENNENE NORMAN-VACHA, CITY MANAGER *J. Norman-Vacha*
FROM: TELINA DOWDELL, HUMAN RESOURCE SPECIALIST *T. Dowdell*
SUBJECT: EMPLOYEE GROUP INSURANCE COVERAGES FOR FY 2012-13
DATE: SEPTEMBER 10, 2012

GENERAL SUMMARY/BACKGROUND: In conjunction with the annual budget process and discussed within your prior budget workshop meetings, staff has worked to provide a renewal of insurance premium costs for employee coverages provided within the City's employment benefit package (group medical combined with the health reimbursement arrangement-HRA, dental, term life, and long-term disability). Optionally and upon the voluntary decision of the employee, additional/supplemental life, short-term disability and dependent coverages are made available through City's existing providers. Voluntary and dependent coverages are provided at the sole option and expense of the employee.

Group Medical Coverage

The initial renewal provided from Blue Cross Blue Shield of Florida (BCBS) increased the City's premiums by over twenty-eight percent (28%). This would have increased the employee only premium (paid at 100% by the City/employer) from \$464.66 per employee per month to \$593.24 per employee per month. This change in rates would have meant an annual increase of close to \$200,000 for the group.

After additional negotiations, with the assistance of the Gehring Group, Blue Cross Blue Shield of Florida agreed to renew the City existing plan with an increase in premiums of just under 6%. This would mean a increase in the employee only premium (paid at 100% by the City/employer) from \$464.66 per employee per month to \$489.57 per employee per month.

During budget workshops, staff presented several alternative plans through Blue Cross Blue Shield of Florida for Council consideration for additional cost savings. No changes to the existing plan was directed.

For fiscal year 2012-13 staff is recommending approval of the adjusted renewal rates of \$489.57 per month per employee with Blue Cross Blue Shield of Florida.

Dental Insurance Coverage

The renewal for group/employee dental coverage provided from Blue Cross Blue Shield of Florida (BCBS) has once again allowed our dental premiums to remain constant (\$27.56 per employee per month, as paid at 100% by the City/employer). This year's stable premium

follows our ten percent (10%) reduction in the City's premiums two years ago. The plan remains the same as prior years.

Life Coverage

Currently the City provides a term-life benefit of two (2) times salary for all City employees. Again, renewal premium rates were presented with a proposed increase; therefore staff recommends changing the carrier for coverage. With the change in carrier, benefit level and premium costs will not change. Staff recommends approval to move the group life and voluntary dependent/supplemental life coverages to Life Insurance Company of North America, a subsidiary of CIGNA.

Long-Term Disability Insurance Coverage

Long-term disability premiums were presented for renewal with an increase in premium rates. Staff is recommending approval to change the carrier for coverage where benefits/coverage will remain the same and premium rates will be held to current rate levels. Staff recommends approval for coverage to be bound with Life Insurance Company of North America, a subsidiary of CIGNA.

Coverage cost for renewal with the carrier change will remain at 0.23% of monthly payroll.

Staff recommends coverage be effective October 1, 2012, with allowances for employees to acquire additional voluntary or dependent coverage (100% employee paid) as they may determine in the best interest of themselves and/or their family through Open Enrollment.

BUDGET IMPACT: Coverages presented are within the monies allocated in the FY 2012-13 budget documents awaiting final approval of Council on September 26, 2012.

LEGAL REVIEW: City Council has the authority to provide employee benefit coverages as outlined within this memorandum.

STAFF RECOMMENDATION: Staff recommends that City Council approved the following for fiscal year 2012-13: (1) Renewal of employee group medical plan with BlueOptions 3559 Plan through Blue Cross Blue Shield of Florida at a premium rate of \$489.57 per month per employee; allowing provisions for voluntary dependent coverage; (2) Renewal of the employee group dental plan Blue Dental Choice Plus through Blue Cross Blue Shield of Florida/Florida Combined Life; allowing provisions for voluntary dependent coverage; (3) Renewal of group employee term-life coverage of two (2) times salary for all employees through Life Insurance Company of North America; allowing provisions for voluntary life benefits for the employee and/or spouse/dependents; and (4) Renewal of group employee long-term disability coverage through for all employees with Life Insurance Company of North America; allowing provisions for voluntary short-term disability benefit options.



AGENDA ITEM MEMORANDUM

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

VIA: T. JENNENE NORMAN-VACHA, CITY MANAGER

FROM: JANICE L. PETERS, CMC, CITY CLERK &
SALLY SPERLING, SCREENING COMMITTEE CHAIR

SUBJECT: SCREENING COMMITTEE RECOMMENDATION FOR THE 2012
GREAT BROOKSVILLIAN

DATE: AUGUST 24, 2012

GENERAL SUMMARY/BACKGROUND: Nominations for the 2012 "Great Brooksvillian of the Year" closed on June 8, 2012. Six nominations were received – Julia Jinkens; Jan Knowles; Beverly Lewis; Joseph M. Mason, Jr.; JoAnn Munford and Gwendolyn Perry.

Pursuant to Official Policy No. 2-2012, the Screening Committee met to review the nominations to make sure the applicants met the selection criteria and to make their recommendations to City Council. Their recommendations will be presented to Council at the meeting.

The official award ceremony will be held on, Thursday, October 11, 2012, and is currently scheduled to be held in conjunction with the Fall City Hall Art Reception.

Further, the Screening Committee would like clarification of Item 14 of the Official Policy No. 2-2012, which states the following:

14. At the close of deliberations, committee members may submit recommended changes to the process. ***The committee is also free to create an ongoing file of potential nominees, to be managed by the City Clerk.***

FINANCIAL IMPACT: As long as the event is held in conjunction with the above referenced Art Reception, the financial impact is nominal (basically the cost of the award plaques and invitations/mailings budgeted at approximately \$200.00).

LEGAL REVIEW: Process pursuant to provisions of Official Policy No. 3-2008 and 2-2012.

RECOMMENDATION: Council selection of the 2012 "Great Brooksvillian of the Year" and clarification of Item No. 14 of Official Policy No. 2-2012.

ATTACHMENT: Official Policy No. 2-2012

CITY OF BROOKSVILLE

OFFICIAL POLICY NO. 2-2012

Great Brooksvillian Screening Committee

The City Council for the City of Brooksville, in association with recognizing outstanding men and women who have made significant positive contributions to the history, culture and/or economy of our community, wish to annually appoint a committee to review nominations for the Great Brooksvillian.

General Guidelines:

1. In February, staff will bring an item to Council for approval of the start of the process to solicit nominations for the Great Brooksvillian.
2. Staff will, during March through April, and simultaneously with the requests for nominees for the Great Brooksvillian, issue a press release seeking applications from those wishing to serve on the Committee, as well as any further direction or recommendations from Council.
4. Council will appoint the Committee at a Council meeting in May. The Screening Committee shall be representatives of the City at large, consisting of at least one (1) member from the Historical Association and four (4) members appointed by City Council.
5. Staff will contact the appointed Committee members, setting the first meeting at a date and time agreed upon by all members.
6. The Committee shall meet bi-weekly between May and June, or as necessary.
7. At the first meeting, a Chair and Vice Chair will be appointed and the packets distributed containing all nominations received for the Great Brooksvillian.
8. The board, at their first meeting, will set a schedule of meetings, which will be forwarded to the City Manager and all Council Members. Separate time slots will be scheduled for any Council Members wishing to meet with the Board individually.

9. The Committee shall review the applications to make sure the applicants meet the selection criteria.
10. The Committee shall submit the nominees to City Council in July for selection.
11. Committee members must be willing and able to properly review materials submitted in the nomination packages for accuracy and sufficient data compilation.
12. Committee members will decide amongst themselves how these tasks should be completed either by individual research or collectively. The final recommendations to Council will be made by the majority of the committee membership.
13. Consideration should be given to the historical perspective of nominees.
- ★ 14. At the close of its deliberations, committee members may submit recommended changes to the process. The committee is also free to create an ongoing file of potential nominees, to be managed by the City Clerk.

For questions or assistance, contact:

The Office of the City Clerk
City of Brooksville, Florida
(352) 540-3853

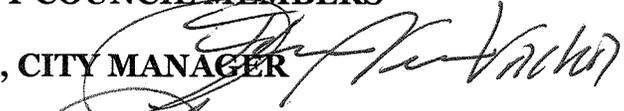
APPROVED BY CITY COUNCIL: June 18, 2012
Amended _____

CERTIFIED POLICY NO. 2-2012:

s/T. Jennene Norman-Vacha
T. Jennene Norman-Vacha
City Manager



AGENDA ITEM MEMORANDUM

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS
VIA: T. JENNENE NORMAN-VACHA, CITY MANAGER 
FROM: JANICE L. PETERS, CMC, CITY CLERK 
SUBJECT: BEAUTIFICATION BOARD STUDENT REPRESENTATIVE
DATE: SEPTEMBER 17, 2012

GENERAL SUMMARY/BACKGROUND: The following application was received and is being presented to City Council for consideration of appointment.

Alyson Tate Galoci Student Representative

It is for the Beautification Board's Student Representative, and, Per Policy 4-2008, this position holds a 1-year term expiration.

BUDGET IMPACT: None.

 **LEGAL REVIEW:** Council has the authority pursuant to per Sec. 2-261 of the City's Code of Ordinances to appoint any advisory board composed of persons who shall be deemed qualified to act in an advisory capacity. Official Policy 4-2008, adopted by the City Council, sets forth the procedure for creation, appointments, reappointments, replacements, and removal from office for advisory board members.

STAFF RECOMMENDATION: Staff recommends appointment of Alyson Galoci to the Beautification Board to fill their vacant Student Representative position for a period of 1-year, expiring September 17, 2013.

ATTACHMENT: Application



CITY OF BROOKSVILLE

Application for Volunteer Board Positions

201 Howell Avenue
Brooksville, Florida 34601-2041
Telephone: (352) 544-5407
Facsimile: (352) 544-5424
Web: www.ci.brooksville.fl.us

New Application Re-application

Beautification Board (4 year terms - 7 members)
Brooksville Housing Authority (4 year terms - 7 members)
Cemetery Advisory Committee (4 year terms - 7 members - city residency or documented tie to Cemetery)
Firefighters Pension Trust Fund Board of Trustees* (2 year terms - 5 members)
Parks & Recreation Advisory Board (4 year terms - 7 members & 2 alternates)
Planning & Zoning Commission* (4 year terms - 5 members & 2 alternates)
Police Officers Pension Trust Fund Board of Trustees* (2 year terms - 5 members)
Other _____

Name: Galoci Alyson Tate
(Last) (First) (Middle)

Address: 122 South Main Street
Brooksville, Florida 34601

Mailing Address (if different): _____

Business Address: _____

Occupation: Student, 10th grade

Business Phone: n/a Home Phone: (352) 428 5314

Email address: bailey-k@hcsb.k12.fl.us

Do you reside within the City limits? Yes No

Are you a Registered Voter in Hernando County? Yes No Voter ID # n/a

Please rank your board preference(s):
1. _____
2. _____
3. _____

Have you ever served on a volunteer board or in a volunteer capacity with the City of Brooksville before? Yes No If yes, please indicate name of board and dates of service: _____

* These positions require City Residency and that a Financial Disclosure Statement be filed with the Supervisor of Elections Office within 30 days of appointment and then subsequently on a yearly basis.

Why would you like to serve on this board? I would like the opportunity to serve my community and participate in city activities.

What special skills would you bring to this position? I have strong interpersonal and communication skills. I am an organized person and I work hard at achieving my goals.

List fields of work experience: Child Care, Volunteer Classroom Teacher Assistant

List any licenses and/or degrees (location & year): n/a.

Local References (Please list three (3)):

1. Tracy Frazier 279 3849
2. Robert Draper 596 9990
3. Amber Singer 650 2785

Would you have a problem with the meeting dates and times for the board/agency?

Yes No

If yes, please explain: _____

Signed: Alyson Adams Date: 8/22/12

SCHEDULE OF BOARD MEETINGS

[Note - Balance of Boards meet quarterly or as needed]

BEAUTIFICATION BOARD
in Council Chambers

2nd TUESDAY @ MONTH - 5:30 PM

BROOKSVILLE HOUSING AUTHORITY
in Council Chambers

3rd TUESDAY @ MONTH - 6:00 PM

PLANNING & ZONING COMMISSION
in Council Chambers

2nd WEDNESDAY @ MONTH - 6:30 PM

* These positions require City Residency and that a Financial Disclosure Statement be filed with the Supervisor of Elections Office within 30 days of appointment and then subsequently on a yearly basis.



**AGENDA ITEM
 MEMORANDUM**

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS
VIA: T. JENNENE-NORMAN VACHA, CITY MANAGER
FROM: JAMES DELACH, ASSISTANT FINANCE DIRECTOR
SUBJECT: SUNTRUST BANK LOAN TO REFUND/REFINANCE CERTAIN WATER AND SEWER DEBT
DATE: SEPTEMBER 13, 2012

GENERAL SUMMARY/BACKGROUND: As City Council is aware from the budget workshop on August 28, 2012, and the budget hearing on September 12, 2012, City staff has been analyzing the opportunities to refund and refinance certain of the City's Water and Sewer Fund debt. Interest rates are historically low and this is an incredible opportunity to save our water and sewer users \$1,151,303.

The City has the first opening to refund our Water & Sewer Refunding Series 2002 Bonds maturing 10/01/2018 with an interest rate of 4.34% (\$2,985,000 remaining principal). The 2002 Bonds have a call date on or after 10/01/2012.

In addition, staff reviewed with SunTrust the opportunity to refinance our 1999 City of Brooksville Water & Sewer Revenue Bonds, Series 1999A and Series 1999B, which have a principal balance remaining of \$5,492,000 and mature on 09/01/2039, with an interest rate of 3.25%.

Lastly, we reviewed with SunTrust our Hancock Bank Water and Sewer Note Series 2008, with a principal balance of \$997,538 maturing 08/15/2018, with an interest rate of 3.49%.

Staff believes that this is an excellent opportunity to refinance the above debt for the following reasons:

1. Present value savings: \$410,410.65 (See Savings)
2. Savings over life of loans: \$1,151,303 (See Savings)
3. Release of Reserves funds for 1999 and 2002 Bonds of approximately \$1,149,000. (No reserves are required for new SunTrust loan)
4. Shortening our overall debt to 15 years from the oldest debt currently of 2039, which assists our credit rating by shortening our long term debt.
5. In 2012/13 our Water and Sewer Cash flow is increased by \$150,172; in 13/14 our Water and Sewer Cash flow is increased by \$273,582; in 14/15 our cash flow is increased by \$274,980, etc. (see SAVINGS).

BUDGET IMPACT: The 2012/13 Budget will be amended after final numbers are established for the Refinancing and Refunding of the above discussed debt.

RBB **LEGAL REVIEW:** The City Council has Home Rule Authority (Art. VIII, 2(b), Fla. Const./Section 166.011, F.S.) to consider and take action on matters of fiscal benefit.

STAFF RECOMMENDATION: Staff recommends approval of Proposal Letter from SunTrust dated September 12, 2012, with Prepayment with Penalty (Option #1), authorizing preparation and completion of the Bank Loan documents for Mayor's signature. Further, staff recommends authorization of appropriate budget amendments with final financial numbers.

ATTACHMENTS:

1. SunTrust proposal letter dated 9/12/12
2. SunTrust Summary of Refunding Results

Attachment 1

SunTrust Proposal Letter

Dated 9/12/12



Adam L. Horn
First Vice President

401 East Jackson Street, 10th Floor
Tampa, Florida 33602
Tel 813.224.2552
Fax 813.224.2424

September 12, 2012

Mr. James Delach, Finance Director
City of Brooksville
201 Howell Avenue
Brooksville, Florida 34601-2041

T. Jennene Norman-Vacha, City Manager
City of Brooksville
201 Howell Avenue
Brooksville, Florida 34601-2041

RE: Proposal Letter – Bank Loan to refund/refinance existing Water & Sewer System debt

Dear Mr. Delach and Ms. Norman-Vacha:

SunTrust Bank (the "Bank") is pleased to consider establishing a bank qualified tax exempt term loan (the "Loan") in the principal amount not to exceed nine million, seven hundred thousand and 00/100 dollars (\$9,700,000.00) to the City of Brooksville (the "City" or the "Borrower") based substantially on the proposed summary of terms and conditions set forth on Annex I attached hereto (Annex I, together with this letter, this "Proposal Letter").

This Proposal Letter is an expression of interest by the Bank in the proposed Facility and should not be construed to be, expressly or by implication, a commitment, an offer, an agreement in principle or an agreement by the Bank to provide the proposed Facility. After the Bank has conducted further due diligence, we may decide to modify the proposed terms and conditions, or we may decide not to provide the proposed Facility.

This Proposal Letter is not intended to, and shall not create a legally binding obligation on the part of the Bank or the Borrower. This Proposal Letter constitutes the entire understanding between the Bank and the Borrower in connection with the proposed Facility as of the date hereof and supersedes any prior written or oral communications or understandings. This Proposal Letter may be amended only in writing signed by both the Bank and the Borrower.

This Proposal Letter shall be governed by the laws of the State of Florida.

If you have any questions in connection with this Proposal Letter or any of the proposed terms and conditions, please do not hesitate to contact me.

Yours sincerely,

ANNEX I: TERM SHEET

Borrower: City of Brooksville, Florida (the "City" or "Borrower")

Bank: SunTrust Bank (the "Bank")

Contact: Adam L. Horn, First Vice President
WK - 813.224.2552
FAX - 813.224.2424
Adam.Horn@SunTrust.com

Facility Type: Bank-qualified, tax-exempt bank loan (the "Loan").

Purpose: The proceeds from the Loan will be used to fund cost of issuance and currently refund the Water and Sewer System Bonds Series 1999, Water and Sewer Revenue Refunding Bonds Series 2002, and the Hancock Bank Subordinated Water & Sewer Revenue Note Series 2008.

Amount: Up to \$9,700,000.00.

Terms: Principal plus Interest payments due semi-annually, on April 1st and October 1st. Principal repayment schedule to be based on level annual debt service and a fifteen year fully amortizing term.

Security: The Loan will be payable from, and secured by, the net revenues of the Water & Sewer System.

Interest Rate(s): The Bank Qualified fixed interest rate shall be based on the US Dollar Swap Curve as published on the H.15 website based on the following formula and would remain fixed through the life of the loan. The interest rate shall be set two days prior to funding and is shown as of September 12, 2012.

0.65 times the sum of the Ten Year Swap Rate plus 252 basis points.

Rate as of 9/12/2012 $(0.65 \times (1.77\% + 2.52\%) = 2.79\%$

Interest shall be calculated on an Actual/365-day basis.

Rate Lock Option: A rate lock is available for sixty (60) days from the date of this letter at an additional cost of five (5) bps from the date of commitment. If not locked in, the interest rate shall be set three business days prior to funding.

The above rate can be locked-in as quoted subject to: (a) issuance of a formal Commitment from the Bank, (b) receipt of an indication that the commitment is being recommended for award to the City Council by September 14, 2012, (c) copy of duly executed Commitment Letter by an authorized officer of the City prior to 5:00 p.m. (EST), on September 18, 2012, and (d) selection of Prepayment option the City wishes to lock in.

Maturity Date:

10/1/2027.

*Prepayment
Alternatives:*

Prepayment with Penalty (#1): The City may prepay the Bond in whole or in part on any Business Day upon two Business Days' prior written notice to the Bank. Such prepayment notice shall specify the amount of the prepayment which is to be made. In the event of a prepayment of the Bond under this paragraph, the City may be required to pay the Bank an additional fee (a prepayment charge or premium) determined in the manner provided below, to compensate the Bank for all losses, costs and expenses incurred in connection with such prepayment.

The fee shall be equal to the present value of the difference between (1) the amount that would have been realized by the Bank on the prepaid amount for the remaining term of the Bond at the Federal Reserve H.15 Statistical Release rate for fixed-rate payers in interest rate swaps for a term corresponding to the term of the Bond, interpolated to the nearest month, if necessary, that was in effect three Business Days prior to the origination date of the Bond and (2) the amount that would be realized by the Bank by reinvesting such prepaid funds for the remaining term of the Bond at the Federal Reserve H.15 Statistical Release rate for fixed-rate payers in interest rate swaps, interpolated to the nearest month, that was in effect three Business Days prior to the prepayment date; both discounted at the same interest rate utilized in determining the applicable amount in (2). Should the present value have no value or a negative value, the City may prepay at par with no additional prepayment charge or premium. Should the Federal Reserve no longer release rates for fixed-rate payers in interest rate swaps, the Bank may substitute the Federal Reserve H.15 Statistical Release with another similar index. The Bank shall provide the City with a written statement explaining the calculation of the premium due, which statement shall, in absence of manifest error, be conclusive and binding. **This alternative is not intended to, and does not, increase the interest rate payable on the Bond.**

Prepayment with No Penalty (#2): The Bank will allow prepayment in whole without any penalty, provided an additional twenty five (25) basis points are added to the interest rate.

All prepayments shall be subject to two Business Days' prior notice to the Bank.

***After-Tax Yield
Maintenance:***

The interest rates quoted herein take into consideration a marginal federal corporate tax rate of 35%. In the event of a decrease in the marginal maximum corporate tax rate, the Bank shall have the right to adjust the interest rate upwards in order to maintain the same after tax yield.

If a determination of taxability event occurs with respect to the tax-exempt loan the rate will be adjusted upwards in order for the Bank to maintain the same after tax yield, effective as of the date of the determination of taxability event. Upon such an occurrence of a Determination of Taxability, the City hereby agrees to pay to the Bank certain additional amounts, as follows: an additional amount equal to the difference between (i) the amount of interest paid on the Bonds during the Taxable Period and (ii) the amount of interest that would have been paid on the Bonds during the Taxable Period had the Bonds borne interest at the Taxable Rate plus an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the Bank as a result of the occurrence of a Determination of Taxability.

If it is determined that the Loan does not qualify as Bank Qualified, the rate will be adjusted to a fixed rate (non-Bank Qualified) by Bank as of the date it is determined that the loan does not qualify as Bank Qualified.

Bank Fees:

\$10,000.

Legal Fees:

Our proposed Bank Counsel is Michael Wiener at Holland & Knight. Fees for Bank Counsel to draft documents and issue tax exempt legal opinion will be \$20,000 - \$25,000. Fees for Bank Counsel to review documents and tax-exempt legal opinion drafted by a nationally recognized Bond Counsel firm will be \$5,000 - \$6,000.

Covenants and Conditions

- A) All matters relating to this loan, including all instruments and documents required, are subject to the Bank's policies and procedures in effect, applicable governmental regulations and/or statutes, and approval by the Bank and the Bank's Counsel.
- B) The City shall submit to the Bank annual financial statements within 210 days of fiscal year end and an annual budget within 30 days of adoption, together with any other information the Bank may reasonably request.
- C) The City shall be required to deliver a written opinion from City's Counsel, in form and substance acceptable to the Bank and Bank's Counsel, that all documents are valid, binding and enforceable in accordance with their terms, that execution and delivery of said documents has been duly authorized, and addressing such other matters as the Bank and the Bank's Counsel deem appropriate.
- D) The City shall comply with and agree to such other covenants, terms, and conditions that may be reasonably required by the Bank and its counsel and are customary in tax-exempt financing of this nature. These covenants would include, but are not to be limited to, covenants regarding compliance with laws and regulation, remedies in the event of default, the right of Bank to transfer and assign the Bond, and bond counsel's opinion regarding the tax exempt nature of the facility.
- E) The "Bank-Qualified" interest rate quoted herein assumes the obligations is a "qualified tax-exempt obligation" as defined in Section 265(b)(3) of the Internal Revenue Service Code. Receipt of opinion from Bond Counsel (or Bank Counsel if drafting the documents) in form and substance satisfactory to the Bank, which shall include, without limitation, opinion that the interest on the Bond is excludable from gross income of the owners thereof for federal income tax purposes and that the Bond is a qualified tax-exempt obligation under Section 265 (b)(3) of the Internal Revenue Code.
- F) The City agrees to have the principal and interest payments collected via ACH Direct Debit from a SunTrust Bank account of their choice.
- G) Rate Covenant: The City agrees to establish fees, rates, rentals and other charges for the use of the products, services and facilities of the Water and Sewer System so as to always provide Net Revenues, after deduction of the Cost of Operations and Maintenance, in each fiscal year sufficient to pay 110% of the Bond Service Requirement on all outstanding Bonds in the applicable Bond year.
- H) Parity: This debt will be on parity with all other senior debt of the Water and Sewer System.
- I) Additional Bonds Test: Prior to the issuance of any debt secured by the Water and Sewer System's Pledged Revenues, the City covenants to maintain minimum Water and Sewer System Revenues of (a) 1.00X for the Costs of Operation and Maintenance and (b) 1.20X of the Annual Debt Service Requirement coming due in the year following issuance. Water and Sewer System Revenues (numerator) will be determined based on the most recent twelve months for a fiscal year ending September 30th from the City and the Annual Debt Service Requirement (denominator) will be based on the projected maximum annual debt service on existing and proposed debt.

Attachment 2

SunTrust Summary of Refunding Results

SUMMARY OF REFUNDING RESULTS

City of Brooksville
 2012 Refunding of 1999, 2002 and 2008 Bonds

Dated Date	10/01/2012
Delivery Date	10/01/2012
Arbitrage yield	2.841315%
Escrow yield	
Bond Par Amount	9,504,538.65
True Interest Cost	2.841315%
Net Interest Cost	2.879526%
Average Coupon	2.841390%
Average Life	8.277
Par amount of refunded bonds	9,474,538.65
Average coupon of refunded bonds	3.388063%
Average life of refunded bonds	10.643
PV of prior debt to 10/01/2012 @ 2.841315%	9,914,949.30
Net PV Savings	410,410.65
Percentage savings of refunded bonds	4.331722%
Percentage savings of refunding bonds	4.318049%

SAVINGS

City of Brooksville
2012 Refunding of 1999, 2002 and 2008 Bonds

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 10/01/2012 @ 2.8413145%
09/30/2013	541,466.71	391,294.68	150,172.03	144,251.62
09/30/2014	1,056,144.50	782,562.40	273,582.10	260,373.66
09/30/2015	1,057,665.67	782,685.95	274,979.72	254,565.83
09/30/2016	1,062,963.46	782,693.35	280,270.11	252,467.15
09/30/2017	1,064,258.38	782,646.56	281,611.82	246,822.28
09/30/2018	1,062,373.59	782,646.70	279,726.89	238,540.55
09/30/2019	876,729.97	782,681.07	94,048.90	77,372.48
09/30/2020	308,795.00	782,667.11	(473,872.11)	(390,919.23)
09/30/2021	308,497.50	782,607.15	(474,109.65)	(380,228.14)
09/30/2022	308,037.50	782,661.92	(474,624.42)	(370,040.42)
09/30/2023	308,415.00	782,692.73	(474,277.73)	(359,492.36)
09/30/2024	309,597.50	782,715.50	(473,118.00)	(348,663.15)
09/30/2025	308,552.50	782,635.57	(474,083.07)	(339,632.56)
09/30/2026	309,345.00	782,610.69	(473,265.69)	(329,632.50)
09/30/2027	309,910.00	782,702.19	(472,792.19)	(320,152.73)
09/30/2028	309,247.50	391,231.15	(81,983.65)	(58,866.09)
09/30/2029	309,390.00		309,390.00	191,968.09
09/30/2030	309,305.00		309,305.00	186,576.47
09/30/2031	307,992.50		307,992.50	180,616.42
09/30/2032	307,485.00		307,485.00	175,302.53
09/30/2033	307,750.00		307,750.00	170,572.68
09/30/2034	307,755.00		307,755.00	165,830.22
09/30/2035	308,500.00		308,500.00	161,607.27
09/30/2036	307,952.50		307,952.50	156,832.70
09/30/2037	307,145.00		307,145.00	152,069.98
09/30/2038	308,077.50		308,077.50	148,288.40
09/30/2039	307,685.00		307,685.00	143,979.51
	12,891,037.28	11,739,734.72	1,151,302.56	410,410.65

Savings Summary

PV of savings from cash flow	410,410.65
Net PV Savings	410,410.65

PRIOR BOND DEBT SERVICE

City of Brooksville
2012 Refunding of 1999, 2002 and 2008 Bonds

Water and Sewer System Bonds, Series 1999 (1999WS)

Period Ending	Principal	Coupon	Interest	Debt Service
09/30/2013	131,000	3.250%	163,615.83	294,615.83
09/30/2014	134,000	3.250%	174,232.50	308,232.50
09/30/2015	139,000	3.250%	169,877.50	308,877.50
09/30/2016	144,000	3.250%	165,360.00	309,360.00
09/30/2017	147,000	3.250%	160,680.00	307,680.00
09/30/2018	153,000	3.250%	155,902.50	308,902.50
09/30/2019	158,000	3.250%	150,930.00	308,930.00
09/30/2020	163,000	3.250%	145,795.00	308,795.00
09/30/2021	168,000	3.250%	140,497.50	308,497.50
09/30/2022	173,000	3.250%	135,037.50	308,037.50
09/30/2023	179,000	3.250%	129,415.00	308,415.00
09/30/2024	186,000	3.250%	123,597.50	309,597.50
09/30/2025	191,000	3.250%	117,552.50	308,552.50
09/30/2026	198,000	3.250%	111,345.00	309,345.00
09/30/2027	205,000	3.250%	104,910.00	309,910.00
09/30/2028	211,000	3.250%	98,247.50	309,247.50
09/30/2029	218,000	3.250%	91,390.00	309,390.00
09/30/2030	225,000	3.250%	84,305.00	309,305.00
09/30/2031	231,000	3.250%	76,992.50	307,992.50
09/30/2032	238,000	3.250%	69,485.00	307,485.00
09/30/2033	246,000	3.250%	61,750.00	307,750.00
09/30/2034	254,000	3.250%	53,755.00	307,755.00
09/30/2035	263,000	3.250%	45,500.00	308,500.00
09/30/2036	271,000	3.250%	36,952.50	307,952.50
09/30/2037	279,000	3.250%	28,145.00	307,145.00
09/30/2038	289,000	3.250%	19,077.50	308,077.50
09/30/2039	298,000	3.250%	9,685.00	307,685.00
	5,492,000		2,824,033.33	8,316,033.33

PRIOR BOND DEBT SERVICE

City of Brooksville
 2012 Refunding of 1999, 2002 and 2008 Bonds

Water and Sewer Revenue Refunding Bonds, Series 2002 (2002WS)

Period Ending	Principal	Coupon	Interest	Debt Service
09/30/2013			65,576.72	65,576.72
09/30/2014	440,000	4.250%	122,189.37	562,189.37
09/30/2015	460,000	4.250%	103,065.53	563,065.53
09/30/2016	485,000	4.375%	82,880.82	567,880.82
09/30/2017	510,000	4.400%	60,855.74	570,855.74
09/30/2018	535,000	4.500%	37,600.48	572,600.48
09/30/2019	555,000	4.600%	12,799.97	567,799.97
	2,985,000		484,968.63	3,469,968.63

PRIOR BOND DEBT SERVICE

City of Brooksville
 2012 Refunding of 1999, 2002 and 2008 Bonds

Hancock Bank Subordinated Water & Sewer Revenue Note, Series 2008 (2008WS)

Period Ending	Principal	Coupon	Interest	Debt Service
09/30/2013	152,895.06	3.490%	28,379.10	181,274.16
09/30/2014	158,301.34	3.490%	27,421.29	185,722.63
09/30/2015	163,898.78	3.490%	21,823.86	185,722.64
09/30/2016	169,694.16	3.490%	16,028.48	185,722.64
09/30/2017	175,694.44	3.490%	10,028.20	185,722.64
09/30/2018	177,054.87	3.490%	3,815.74	180,870.61
	997,538.65		107,496.67	1,105,035.32

BOND DEBT SERVICE

City of Brooksville
 2012 Refunding of 1999, 2002 and 2008 Bonds

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2013	256,700.00	2.840%	134,594.68	391,294.68	
09/30/2013					391,294.68
10/01/2013	259,600.00	2.840%	131,679.09	391,279.09	
04/01/2014	264,000.00	2.840%	127,283.31	391,283.31	
09/30/2014					782,562.40
10/01/2014	267,100.00	2.840%	124,223.60	391,323.60	
04/01/2015	271,600.00	2.840%	119,762.35	391,362.35	
09/30/2015					782,685.95
10/01/2015	274,800.00	2.840%	116,553.10	391,353.10	
04/01/2016	278,700.00	2.840%	112,640.25	391,340.25	
09/30/2016					782,693.35
10/01/2016	282,700.00	2.840%	108,671.87	391,371.87	
04/01/2017	287,200.00	2.840%	104,074.69	391,274.69	
09/30/2017					782,646.56
10/01/2017	290,800.00	2.840%	100,557.12	391,357.12	
04/01/2018	295,400.00	2.840%	95,889.58	391,289.58	
09/30/2018					782,646.70
10/01/2018	299,100.00	2.840%	92,210.27	391,310.27	
04/01/2019	303,900.00	2.840%	87,470.80	391,370.80	
09/30/2019					782,681.07
10/01/2019	307,700.00	2.840%	83,624.21	391,324.21	
04/01/2020	312,100.00	2.840%	79,242.90	391,342.90	
09/30/2020					782,667.11
10/01/2020	316,500.00	2.840%	74,798.94	391,298.94	
04/01/2021	321,400.00	2.840%	69,908.21	391,308.21	
09/30/2021					782,607.15
10/01/2021	325,600.00	2.840%	65,715.94	391,315.94	
04/01/2022	330,600.00	2.840%	60,745.98	391,345.98	
09/30/2022					782,661.92
10/01/2022	335,000.00	2.840%	56,372.37	391,372.37	
04/01/2023	340,000.00	2.840%	51,320.36	391,320.36	
09/30/2023					782,692.73
10/01/2023	344,600.00	2.840%	46,761.11	391,361.11	
04/01/2024	349,500.00	2.840%	41,854.39	391,354.39	
09/30/2024					782,715.50
10/01/2024	354,400.00	2.840%	36,877.89	391,277.89	
04/01/2025	359,700.00	2.840%	31,657.68	391,357.68	
09/30/2025					782,635.57
10/01/2025	364,600.00	2.840%	26,709.89	391,309.89	
04/01/2026	369,900.00	2.840%	21,400.80	391,300.80	
09/30/2026					782,610.69
10/01/2026	375,100.00	2.840%	16,251.41	391,351.41	
04/01/2027	380,500.00	2.840%	10,850.78	391,350.78	
09/30/2027					782,702.19
10/01/2027	385,738.65	2.840%	5,492.50	391,231.15	
09/30/2028					391,231.15
	9,504,538.65		2,235,196.07	11,739,734.72	11,739,734.72

SOURCES AND USES OF FUNDS

City of Brooksville
 2012 Refunding of 1999, 2002 and 2008 Bonds

Sources:

Bond Proceeds:	
Par Amount	9,504,538.65
	9,504,538.65

Uses:

Refunding Escrow Deposits:	
PV cost of cashflows	9,474,538.65
Delivery Date Expenses:	
Cost of Issuance	30,000.00
	9,504,538.65

COST OF ISSUANCE

City of Brooksville
2012 Refunding of 1999, 2002 and 2008 Bonds

Cost of Issuance	\$/1000	Amount
Estimated Legal Fees	2.10426	20,000.00
Bank Fee	1.05213	10,000.00
	3.15639	30,000.00

CORRESPONDENCE-TO-NOTE
REGULAR COUNCIL MEETING – September 17, 2012

1. **TYPE:** Letter
 DATED: August 6, 2012
 RECEIVED FROM: Hernando County Property Appraiser Addressing Office
 ADDRESSED TO: Resident
 SUBJECT: Change Roadway Name

2. **TYPE:** Letter
 DATED: August 10, 2012
 RECEIVED FROM: Florida League of Cities, Inc.
 ADDRESSED TO: Mayor
 SUBJECT: Florida City Spirit Award

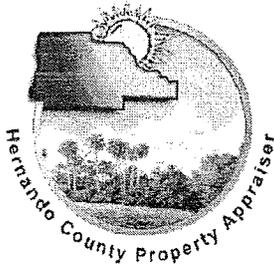
3. **TYPE:** Letter
 DATED: August 13, 2012
 RECEIVED FROM: Florida Department of Transportation
 ADDRESSED TO: Mayor
 SUBJECT: Florida Highway Beautification Grant

4. **TYPE:** Letter
 DATED: August 15, 2012
 RECEIVED FROM: Southwest Florida Water Management District
 ADDRESSED TO: Local Government Official
 SUBJECT: Ongoing Modified Phase I Restrictions & Expiration of Phase II
 And Phase III Restrictions

5. **TYPE:** Letter
 DATED: August 20, 2012
 RECEIVED FROM: Southern Hills Plantation I Community Development District
 ADDRESSED TO: City Manager
 SUBJECT: Fiscal Year 2012-2013 Meeting Schedule

6. **TYPE:** Letter
 DATED: August 20, 2012
 RECEIVED FROM: Southern Hills Plantation II Community Development District
 ADDRESSED TO: City Manager
 SUBJECT: Fiscal Year 2012-2013 Meeting Schedule

7. **TYPE:** Letter
 DATED: August 20, 2012
 RECEIVED FROM: Southern Hills Plantation III Community Development District
 ADDRESSED TO: City Manager
 SUBJECT: Fiscal Year 2012-2013 Meeting Schedule



ALVIN R. MAZOUREK, CFA

HERNANDO COUNTY PROPERTY APPRAISER

PHONE: (352) 754-4190

WEBSITE: www.hernandocounty.us/pa

◆ ADDRESSING OFFICE ◆

7525 Forest Oaks Blvd., Spring Hill, Florida 34606-2400

Fax: (352) 688-5060

"To Serve & Assess With Fairness!"

08-15-12 A10:32 RCVD

August 6, 2012

Dear Resident:

Welcome from the Addressing Office. Our office is responsible for assigning all addresses and roadway names throughout the County. In providing these services, **"Every Second Counts in Emergency Response!"** This is to inform you that the Hernando County Addressing Office has received a request from Commissioner James Adkins, Hernando County Board of County Commissioners, to change the roadway name of NEWGATE ST to SARAH F DAVIS DR. This roadway is located in Grelles P H Subdivision, Section 26, Township 22 South, Range 19 East (see enclosed map).

This renaming is set to occur as a tribute to this great lady, as her name will be prominently posted at every intersection. At this time, no parcels on this roadway will be affected by this change.

Please keep a copy of this letter for your records. If you have any questions regarding this matter, please feel free to contact me at (352)754-4190, Ext. 25134.

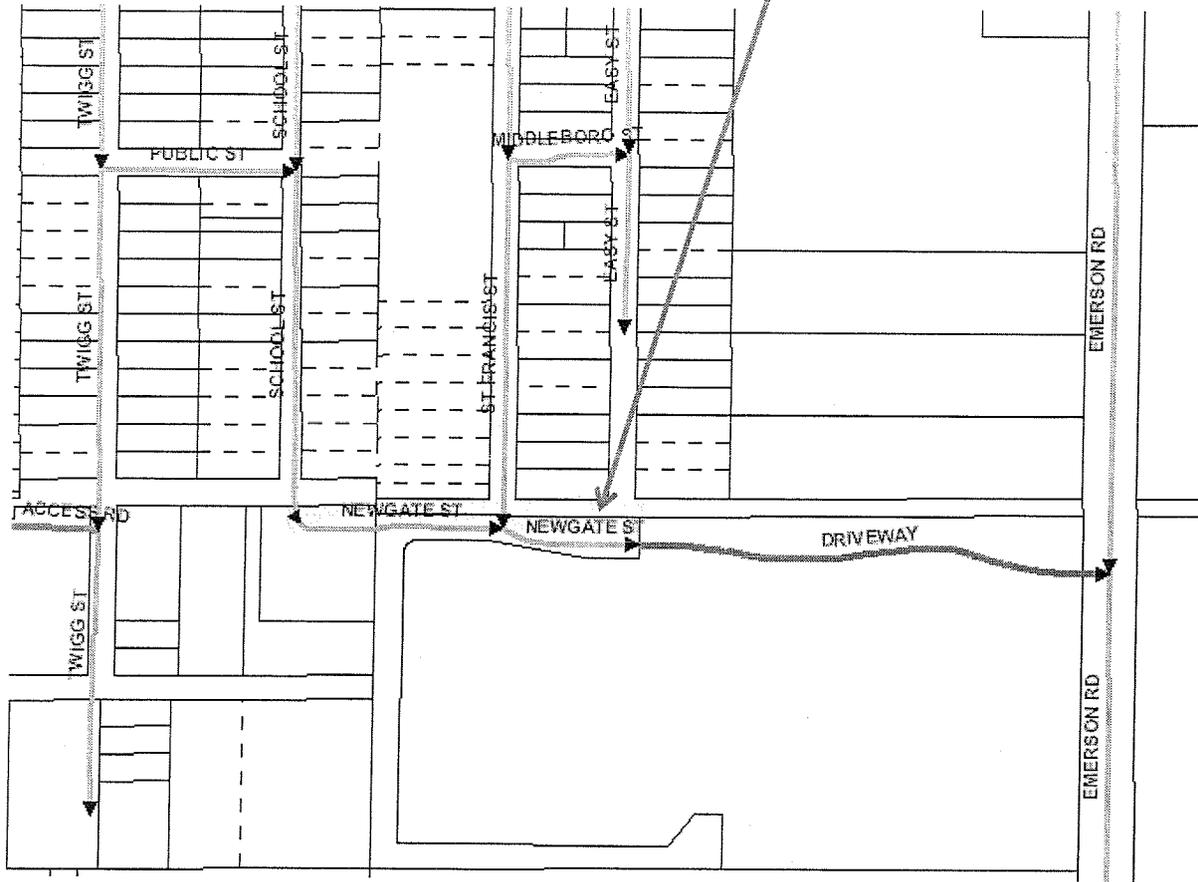
Sincerely,

Jaime Powers

Jaime Powers
Addressing Technician

CYN
09.17.12
[Signature]

Location of Newgate St, to be renamed to SARAH F DAVIS DR





301 South Bronough Street, Suite 300 ♦ Post Office Box 1757 ♦ Tallahassee, FL 32302-1757

(850) 222-9684 ♦ Fax (850) 222-3806 ♦ Web site: www.flcities.com

August 10, 2012

The Honorable Joseph E. Johnston, III
Mayor, City of Brooksville
201 Howell Ave.
Brooksville, FL 34601

Dear Mayor Johnston:

Thank you for your nomination Fire Safety Prevention/Education Program in the Florida League of Cities *Florida Municipal Achievement Awards* program category Florida City Spirt Award.

The number and quality of nominations we received is a testament to the extraordinary municipal programs provided by Florida's great cities. Upon due reflection and careful deliberation, the judges have chosen another nominee for this category. However, we hope you will not be discouraged as each category was very competitive. Your willingness to share your program is sincerely appreciated by all of us associated with the League.

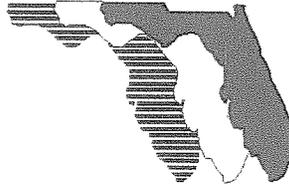
Your program will be featured in a 'best practices' publication that will be distributed at the League's upcoming Annual Conference and will be included in the *September/October* issue of *Quality Cities*. This way, Florida cities can share ideas and model innovative programs like yours.

We would like to remind you that this is an annual League program and thus encourage you to reapply next year. Again, thank you for your nomination, and we commend your city for its commitment to excellence.

Sincerely,

Pat Bates
President, Florida League of Cities
Mayor, City of Altamonte Springs

CTN
9.17.12



08-17-12 A09:33 RCVD

Florida Department of Transportation

RICK SCOTT
GOVERNOR

605 Suwannee Street
Tallahassee, FL 32399-0450

ANANTH PRASAD, P.E.
SECRETARY

August 13, 2012

Certified Mail – 7011 2970 0003 1245 2923

The Honorable Joe Johnson
Mayor, City of Brooksville
201 Howell Avenue
Brooksville, FL 34601

RE: Florida Highway Beautification Grant

Dear Mayor Joe Johnson:

Department funding has become available for the Grant mentioned above.

The Grant is a statewide competition that provides awarded applicants with a 50% match for the purchase of landscape materials to be used for the beautification of state roadways.

In order to be eligible, applications must be fully completed by October 1, 2012. The Grant deadline is fast approaching.

Please contact me at 813-975-6638 or william.moriaty@dot.myflorida.com for additional information.

Sincerely,

William Moriaty
District Roadside Vegetation Coordinator

WDM/slk

cc: Randell E. Prescott, P.E., District Maintenance Engineer
Jacqueline E. Beebe, P.E., Asst. District Maintenance Engineer

CTN 9-17-12
cc: Mike Walker
Bill Gugen
JW



An Equal Opportunity Employer

Southwest Florida Water Management District

2379 Broad Street, Brooksville, Florida 34604-6899
(352) 796-7211 or 1-800-423-1476 (FL only)
TDD only: 1-800-231-6103 (FL only)
On the Internet at WaterMatters.org

Bartow Service Office
170 Century Boulevard
Bartow, Florida 33830-7700
(863) 534-1448 or
1-800-492-7862 (FL only)

Sarasota Service Office
6750 Fruitville Road
Sarasota, Florida 34240-9711
(941) 377-3722 or
1-800-320-3503 (FL only)

Tampa Service Office
7601 Highway 301 North
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)

- H. Paul Senft, Jr.**
Chair, Polk
- Hugh M. Gramling**
Vice Chair, Hillsborough
- Douglas B. Tharp**
Secretary, Sumter
- Albert G. Joerger**
Treasurer, Sarasota
- Neil Combee**
Former Chair, Polk
- Todd Pressman**
Former Chair, Pinellas
- Judith C. Whitehead**
Former Chair, Hernando
- Jeffrey M. Adams**
Pinellas
- Michael A. Babb**
Hillsborough
- Carlos Beruff**
Manatee
- Bryan K. Beswick**
DeSoto
- Jennifer E. Closshey**
Hillsborough
- Randall S. Maggard**
Pasco

Blake C. Guillory
Executive Director

August 15, 2012

**SUBJECT: Ongoing Modified Phase I Restrictions
& Expiration of Phase II and Phase III Restrictions**

Dear Local Government Official:

During its meeting on July 31, 2012, the Governing Board of the Southwest Florida Water Management District (District) allowed Water Shortage Order No. SWF 2012-003 (Modified Phase III restrictions) and Executive Director Order No. SWF 2012-005 (Modified Phase II restrictions) to expire. This means eight counties (Citrus, Hernando, Hillsborough, Lake, Levy, Pasco, Pinellas and Sumter), and also Dunnellon and The Villages in Marion County, have been released from the District's once-per-week lawn watering schedule and other provisions of those orders.

Modified Phase I restrictions, which were already applicable elsewhere and extended in a separate action last month, automatically went back into effect in the former Phase II and Phase III areas. Unless a different or more stringent local ordinance applies, this means lawn and landscape watering may follow the District's year-round water conservation measures (a twice-per-week schedule). Other than lawn watering, the main change for local governments is that their water utilities no longer need to submit a Phase II or Phase III system status report. Phase I only requires a two-number local enforcement activity report each month.

Information about Water Shortage Order No. SWF 2010-022 (the Modified Phase I restrictions), is available online at www.WaterMatters.org. You can also contact the District's Water Shortage hotline (call 1-800-848-0499 or send e-mail to Water.Restrictions@WaterMatters.Org) for assistance.

Sincerely,

Blake C. Guillory, P.E.
Executive Director

CTN
9-17-12
cc: Bill Guillory
[Handwritten initials]

SOUTHERN HILLS PLANTATION I COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE • 3434 COLWELL AVENUE • SUITE 200 • TAMPA, FLORIDA 33614

August 20, 2012

Ms. Jennene Norman-Vacha
City Manager
City of Brooksville
201 Howell Avenue
Brooksville, FL 34601-2041

Re: Southern Hills Plantation I Community Development District
Fiscal Year 2012-2013 Meeting Schedule

Dear Sir/Madam:

Enclosed is a copy of Resolution 2012-06, designating dates, time and location for the regular meetings of the Board of Supervisors for Southern Hills Plantation I Community Development District for Fiscal Year 2012-2013, in accordance with Section 189.417(1) of the Florida Statutes.

Sincerely,


Scott Brizendine
District Manager

Enclosure: Resolution 2012-06

CTN
9.17.12


RESOLUTION 2012-06

A RESOLUTION OF THE BOARD OF SUPERVISORS OF SOUTHERN HILLS PLANTATION I COMMUNITY DEVELOPMENT DISTRICT DESIGNATING DATES, TIME AND LOCATION FOR REGULAR MEETINGS OF THE BOARD OF SUPERVISORS OF THE DISTRICT, AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Southern Hills Plantation I Community Development District (hereinafter the "District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes, being situated entirely within Hernando County and the City of Brooksville, Florida; and

WHEREAS, the District's Board of Supervisors (hereinafter the "Board") is statutorily authorized to exercise the powers granted to the District; and

WHEREAS, all meetings of the Board shall be open to the public and governed by the provisions of Chapter 286, Florida Statutes; and

WHEREAS, the Board is statutorily required to file annually, with the local governing authority and the Florida Department of Community Affairs, a schedule of its regular meetings.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF SOUTHERN HILLS PLANTATION I COMMUNITY DEVELOPMENT DISTRICT:

Section 1. Regular meetings of the Board of Supervisors of the District shall be held as provided on the schedule attached as Exhibit "A".

Section 2. In accordance with Section 189.417(1), Florida Statutes, the District's Secretary is hereby directed to file annually, with Hernando County and the City of Brooksville, a schedule of the District's regular meetings.

Section 3. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED THIS 16th DAY OF AUGUST 2012.

**SOUTHERN HILLS PLANTATION I
COMMUNITY DEVELOPMENT
DISTRICT**



CHAIRMAN / VICE CHAIRMAN

ATTEST:



SECRETARY / ASSISTANT SECRETARY

EXHIBIT "A"
BOARD OF SUPERVISORS MEETING DATES
SOUTHERN HILLS PLANTATION I COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2012/2013

October 11, 2012
November 8, 2012
December 13, 2012
January 10, 2013
February 14, 2013
March 14, 2013
April 11, 2013
May 9, 2013
June 13, 2013
July 11, 2012
August 8, 2013
September 12, 2013

All meetings will convene at 10:00 a.m. at the Southern Hills Clubhouse located at 4200 Summit View Dr., Brooksville, FL 34601.

SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE • 3434 COLWELL AVENUE • SUITE 200 • TAMPA, FLORIDA 33614

August 20, 2012

Ms. Jennene Norman-Vacha
City Manager
City of Brooksville
201 Howell Avenue
Brooksville, FL 34601-2041

Re: Southern Hills Plantation II Community Development District
Fiscal Year 2012-2013 Meeting Schedule

Enclosed is a copy of Resolution 2012-05, designating dates, time and location for the regular meetings of the Board of Supervisors for Southern Hills Plantation II Community Development District for Fiscal Year 2012-2013, in accordance with Section 189.417(1) of the Florida Statutes.

Sincerely,


Scott Brizendine
District Manager

Enclosure: Resolution 2012-05

CTN
9.17.12
JW

RESOLUTION 2012-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT DESIGNATING DATES, TIME AND LOCATION FOR REGULAR MEETINGS OF THE BOARD OF SUPERVISORS OF THE DISTRICT, AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Southern Hills Plantation II Community Development District (hereinafter the "District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes, being situated entirely within Hernando County and the City of Brooksville, Florida; and

WHEREAS, the District's Board of Supervisors (hereinafter the "Board") is statutorily authorized to exercise the powers granted to the District; and

WHEREAS, all meetings of the Board shall be open to the public and governed by the provisions of Chapter 286, Florida Statutes; and

WHEREAS, the Board is statutorily required to file annually, with the local governing authority and the Florida Department of Community Affairs, a schedule of its regular meetings.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT:

Section 1. Regular meetings of the Board of Supervisors of the District shall be held as provided on the schedule attached as Exhibit "A".

Section 2. In accordance with Section 189.417(1), Florida Statutes, the District's Secretary is hereby directed to file annually, with Hernando County and the City of Brooksville, a schedule of the District's regular meetings.

Section 3. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED THIS 16th DAY OF AUGUST 2012.

**SOUTHERN HILLS PLANTATION II
COMMUNITY DEVELOPMENT
DISTRICT**

CHAIRMAN / VICE CHAIRMAN

ATTEST:



SECRETARY / ASSISTANT SECRETARY

EXHIBIT "A"
BOARD OF SUPERVISORS MEETING DATES
SOUTHERN HILLS PLANTATION II COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2012/2013

October 11, 2012
December 13, 2012
February 14, 2013
April 11, 2013
June 13, 2013
August 8, 2013

All meetings will convene at 10:00 a.m.(or immediately thereafter the adjournment of the Southern Hills III Meeting) at the Southern Hills Clubhouse located at 4200 Summit View Dr., Brooksville, FL 34601.

SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE • 3434 COLWELL AVENUE • SUITE 200 • TAMPA, FLORIDA 33614

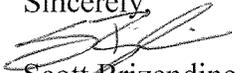
August 20, 2012

Ms. Jennene Norman-Vacha
City Manager
City of Brooksville
201 Howell Avenue
Brooksville, FL 34601-2041

Re: Southern Hills Plantation III Community Development District
Fiscal Year 2012-2013 Meeting Schedule

Enclosed is a copy of Resolution 2012-03, designating dates, time and location for the regular meetings of the Board of Supervisors for Southern Hills Plantation III Community Development District for Fiscal Year 2012-2013, in accordance with Section 189.417(1) of the Florida Statutes.

Sincerely,



Scott Brizendine
District Manager

Enclosure: Resolution 2012-03

CTN
9.17.12

RESOLUTION 2012-03

A RESOLUTION OF THE BOARD OF SUPERVISORS OF SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT DESIGNATING DATES, TIME AND LOCATION FOR REGULAR MEETINGS OF THE BOARD OF SUPERVISORS OF THE DISTRICT, AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Southern Hills Plantation III Community Development District (hereinafter the "District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes, being situated entirely within Hernando County and the City of Brooksville, Florida; and

WHEREAS, the District's Board of Supervisors (hereinafter the "Board") is statutorily authorized to exercise the powers granted to the District; and

WHEREAS, all meetings of the Board shall be open to the public and governed by the provisions of Chapter 286, Florida Statutes; and

WHEREAS, the Board is statutorily required to file annually, with the local governing authority and the Florida Department of Community Affairs, a schedule of its regular meetings.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT:

Section 1. Regular meetings of the Board of Supervisors of the District shall be held as provided on the schedule attached as Exhibit "A".

Section 2. In accordance with Section 189.417(1), Florida Statutes, the District's Secretary is hereby directed to file annually, with Hernando County and the City of Brooksville, a schedule of the District's regular meetings.

Section 3. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED THIS 16th DAY OF AUGUST 2012.

**SOUTHERN HILLS PLANTATION III
COMMUNITY DEVELOPMENT
DISTRICT**



CHAIRMAN / VICE CHAIRMAN

ATTEST:



SECRETARY / ASSISTANT SECRETARY

EXHIBIT "A"
BOARD OF SUPERVISORS MEETING DATES
SOUTHERN HILLS PLANTATION III COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2012/2013

October 11, 2012
November 8, 2012
December 13, 2012
January 10, 2013
February 14, 2013
March 14, 2013
April 11, 2013
May 9, 2013
June 13, 2013
July 11, 2012
August 8, 2013
September 12, 2013

All meetings will convene at 10:00 a.m.(or immediately thereafter the adjournment of the Southern Hills I Meeting) at the Southern Hills Clubhouse located at 4200 Summit View Dr., Brooksville, FL 34601.