

**SUMMARY
TOWN OF MONTVERDE
TOWN COUNCIL WORKSHOP**

April 26, 2016

The Town of Montverde met in for a Council Workshop on Tuesday, April 26, 2016 at 6:30 PM in the Mayor's Office at Town Hall.

Council Members Present:

President Billy Bates

Glenn Burns

Jim Ley

Jim Peacock

Judy Smith

Staff Present:

Joe Wynkoop, Mayor

Graham Wells, Town Clerk

Terry Burden, Public Works Director

Anita Geraci-Carver, Town Attorney

Sean Parks, Town Planner

Jim Gleason, Mascotte City Manager in an advisory capacity

Mayor Wynkoop called the meeting to order at 6:30 and led the Pledge of Allegiance.

Roll call was performed, and it was determined that a quorum was present.

Mayor Wynkoop opened the meeting saying that when he was on Council he would be given project decisions at the last moment and expected to vote on them. He did not want this council to be in the same position so the purpose of this workshop was to give an update on two very large and important projects that Council will have to vote on in the near future.

LAKE APOPKA SOUND PROJECT

The first was the June project, also known as Lake Apopka Sound; a proposed 102 home development over by the West Orange Trail on the Montverde side of the Turnpike, Alternate Key 1037631. The development is in the town's 180 utility district which gives the town first rights to supply water and sewer.

The project is to have its own water plant with five wells for both potable water and irrigation. Wastewater would be handled through a bulk agreement with the City of Clermont and an emergency water connect would be put in place with the city of Oakland.

Development owner Randy June went to Clermont to request that they supply the water through a bulk agreement with the town the same as sewer and they have agreed to do so. This would make it less expensive for the developer to build the project due to the cost saving of putting in the wells and infrastructure.

There would be a meter at the connection of the water and sewer between the City of Clermont and the development from which they would charge the town the bulk rate. Separate meters for potable water and irrigation would be installed by the town at each house which would be read electronically. Residents would be charged by the town at the out of town rates as per the current fee schedule. An agreement between the town and Clermont to provide the wastewater services is already in place. The town will be responsible for the wastewater pipe under the Turnpike.

Build out of the development is estimated to be over a five year period and the town will have a four year warranty bond from the developer on all the wells and infrastructure. The four year period begins when the infrastructure is completed, inspected and accepted by the town. Once this has taken place, a two year clock starts after which time the developer must pay the minimum water services fee to the town on all undeveloped lots.

Under the original plan it has been estimated that once fully built out the net revenue to the town for both water and sewer would be \$51,110 after \$16,000 was put into the reserves. If the town agrees for the developer to get water from the City of Clermont then the combined net revenue would reduce to \$33,370. In addition the town would get a \$2,100 connection fee from each house build. The town would also be given ownership by the developer of the entire underground infrastructure.

The question for the council to consider was whether to allow the developer to get the water from Clermont or to require them to stick with the original proposal. The developer is bound by the Council's decision. The question was raised between the two options, which one would be better should the town decide to sell it at some point. *Jim Gleason* said that the town's ability to sell it depends on the annual net revenue and not so much in the value of the equipment unless it can be extended to supply another nearby development. Given the proximity of the development that seems unlikely albeit a possible extension to Collina Bay who have issues with their own water supply is a possibility.

Councilman Peacock asked if there was the opportunity to get a one-time payment from the developer equivalent to what he would save on the cost of infrastructure going to Clermont. *Anita Geraci-Carver* responded that as there was no impact to the town there was no argument for such a payment. It was being installed either way by the developer.

The risks and benefits of both options we discussed at length. There was a greater risk of owning the wells given their position and the topography. Collina Bay has had problems with their wells sucking sand. On the flip side the town will have a four year warranty bond on the wells and equipment and also has the temporary back up of the water connect with Oakland should one or more of the wells fail. Having the wells provides greater revenue and also gives the town control over the water quality and the charge out rates. For this reason, Public Works Director Terry Burden was in favor.

Councilman Burns said that he had concerns with potential sink holes should one affect the well site. This is a consideration although the emergency connect with Oakland would give time to install new wells if necessary. *Councilman Bates* opined that the Clermont option presented less risk and responsibility. Asked for her professional opinion *Anita Geraci-Carver* said that it was a business decision that the council was making and that most municipalities wanted to be in the water business for the benefit of ongoing revenues.

BLACKSTILL EAST DEVELOPMENT

This development on the outskirts of the town has been going back and forth for the past eleven years. The developer has recently spoken to Anita Geraci-Carver and it has been discussed at the Staff Planning Meeting. An original agreement was entered into in 2005 and a deposit of \$225,000 was paid to the town in advance to provide water services to the development. An additional 25,000 for engineering and attorney's fees was also paid. The total is still on deposit at Fifth Third Bank.

The original agreement was for them to develop the parcel with 114 half-acre lots as per the Town's Land Development Code. This view has now changed and the developer wants a much higher density and also to have the property annexed to the town. Water supply can come either from the town or from a bulk agreement with Clermont. If the property is annexed and the water supplied by Clermont then the town would retain the \$250,000. For this to happen the town would have to agree to a density level and price point comparable with other developments along SR50 and Blackstill Lake Road. Blackstill *West* density is between 2.8 dwelling units per acre (du/ac) and 3.0 du/ac and they are asking for 2.5 du/ac.

If the Town will not annex the property then they could develop it within the County. The Town would still have the right to supply water and would have to put in the pipe to connect it to the Town's water supply at its own expense. If a bulk agreement with Clermont was negotiated then the \$250,000 would have to be repaid to the developer. The \$250,000 was a pre-payment to connect the development to the Town's water supply. The Town would not be able to charge impact fees, however a connection fee of \$2,100 would be payable to connect each developed lot to the supply.

At the last meeting the developer said that they wanted to build 276 homes which would bring in \$579,600 in revenue from connection fees. The density is higher than is allowed inside the town. The development is outside of the main are of the town and it was considered preferable that the town has control rather than giving it up to the County even if the density is higher. If annexed, the Town would also receive the property tax and fire assessment revenues. Either the Town does it or it will be developed in the County. If annexation does not take place then they will develop in the County and the town will lose considerable tax revenue and the control of how the site is developed.

The town would want to annex with the original density, however if the density requested of 276 homes was approved, then the town would collect impact and connection fees on every house over the density of 114 in the original agreement. This amounts to \$734,184 in impact fees alone. At the original density the Town would have to comply with the original agreement. It could not charge more than the amount in the agreement but would still have to put the pipe in.

The question was raised whether a precedent was created if a higher density was approved. *Attorney Anita Geraci-Carver* said that it would not as it is outside of the general area and that any future subdivision would be looked at separately depending where it was. The question of the actual cost of running the new pipes to the development was raised and this was as yet unknown. *Mayor Wynkoop* suggested that it could be as much as \$500,000.

Councilwoman Smith asked if the town would be responsible for the roads and the street lighting. The roads would be public and the town would pay for the lighting bills as it does with other subdivisions.

A further workshop is scheduled on May 3, 2016 at which point the developer will make their proposal to the Council.

A motion to adjourn was made by Councilman Bates; Seconded by Councilman Peacock. With all in favor the meeting adjourned at 8:16 pm.

Respectfully submitted,

Joe Wynkoop, Mayor

Billy Bates, Council President

ATTEST:

Graham Wells, Town Clerk