

BUDGET ADVISORY COMMITTEE
CITY OF TARPON SPRINGS
FEBRUARY 10, 2011

THE BUDGET ADVISORY COMMITTEE MET IN REGULAR SESSION IN THE CITY HALL SECOND FLOOR CONFERENCE ROOM, 324 EAST PINE STREET, ON FEBRUARY 10, 2011, AT 2: 00 P.M. WITH THE FOLLOWING PRESENT:

TOWNSEND TARAPANI	CHAIRMAN
MARTY PETERS	VICE CHAIRMAN
CHRIS ANGELOU	MEMBER*
ROGER SELLEW	MEMBER
IRVING MARGON	MEMBER
GERALD GOEN	ALTERNATE

ABSENT/EXCUSED: MARILYN CHAPMAN ALTERNATE

STAFF PRESENT:	MARK LeCOURIS	CITY MANAGER
	K. MICHELE MANOUSOS	DEPUTY CITY CLERK
	ARIE WALKER	FINANCE DIRECTOR
	ROBERT KOCHEN	POLICE CHIEF

CALL TO ORDER:

Chairman Tarapani called the meeting to order at 2: 00 p.m.

ROLL CALL:

Deputy City Clerk Manousos called roll.

* Mr. Angelou arrived at 2:01 p.m.

1. Approval of Minutes: A.) November 4, 2010 and B) December 2, 2010.

MOTION: MR. SELLEW
SECOND: VICE CHAIR PETERS

To approve the minutes of November 4, 2010
and December 2, 2010 as presented.

VOTE ON MOTION – Upon viva voce vote, the motion carried unanimously.

UNFINISHED BUSINESS:

2. UPDATE ON WATER TREATMENT PLANT:

City Manager LeCouris updated the Committee on the status of the City's application for an NPDES discharge permit from FDEP and a challenge to that from Mr. Ross. He said the Administrative Law Judge granted the City the permit to discharge but there was a thirty day allowance for Mr. Ross to appeal.

Mr. Peters asked if Mr. Ross was a member of the Sierra Club and City Manager said he was unsure. Mr. Margon discussed the disposal of the desalinated waste in other communities. Mr. Sellew asked if Mr. Ross had presented his objections to the plant outside a courtroom and if the complaint could be considered frivolous. City Manager LeCouris, said, no, Mr. Ross was careful not to make his case appear frivolous.

3. DATA ON GENERAL FUND FIRST QUARTER SUMMARY:

Arie Walker, Finance Director, provided data as of September 30, 2010, October 31, 2010, November 30, 2010, and December 31, 2010 and stated the final audits were still underway.

Mr. Margon questioned a shortfall in revenue projections on the water-sewer revenue chart and Ms. Walker explained allocations for capital improvements were not transferred to the water-sewer account but were used in the final revenue calculations. She also said the City would borrow for capital improvements in FY 2012 based on projections of revenue and expenses in the Revenue Sufficiency analysis.

Chair Tarapani asked if the City would commit to a \$45 million dollar bond to move forward with the Reverse Osmosis Plant. Ms. Walker said the City would not be borrowing \$45 million dollars and explained grant funding would be used for most of the cost of the Reverse Osmosis project and the remaining debt balance would be combined with the current debt obligation and borrowed. Mr. Peters asked about the cost to residents and Ms. Walker said she did not have that figure. Mr. Sellew reviewed what he anticipated debt obligation would be after grant funds were tallied.

NEW BUSINESS:

4. PRESENTATION – MAGNEGAS:

Chair Tarapani introduced Spiro Vassiliou, representative of MagneGas, 150 Rainville Road, a local, innovative alternative energy company whose founder, Harvard physicist, Dr. Ruggero Santilli, developed a process that converts liquid waste into clean energy producing a fuel that burns cleaner than natural gas. Mr. Vassiliou said the plant on Rainville Road was a demonstration plant and manufactured the “refinery” equipment sold throughout the world except the United States. Mr. Vassilo stated the company was doing very well and was looking to relocate to a larger factory.

Chair Tarapani asked why the company was not actively selling products in the U.S. and Mr. Vassiliou said EPA standings were needed and to date none of the parties interested in building a refinery had sufficient funds.

Chair Tarapani asked what the company could do for a small municipality. Mr. Vassiliou said the company would develop and assist any organization with an entire plan: building a refinery to converting vehicles and equipment. Mr. Sellev asked about the chemical components used in the process and Mr. Vassiliou stated any carbon based liquid waste could be used and reviewed the conversion process. The Committee asked where the waste product would come from and Mr. Vassiliou said the company was seeking funding from a group in New York because ideally they would like to team up with a local sewage treatment plant. Mr. Peters asked if MagneGas approached the City regarding a partnership, and Mr. Vassiliou said in 2006 MagnaGas talked to the City but the City was not interested at that time. Mr. Peters suggested that information be sent to Ray Page, Waste Water Treatment Plant Superintendent. City Manager LeCouris discussed start up costs and other concerns that previously prevented moving forward.

ITEMS FOR NEXT AGENDA:

- Police and Fire Pension.

PUBLIC COMMENTS:

Mr. Goen thanked Spiro Vassiliou, representative of MagneGas, for his presentation.

Chairman Tarapani asked for public comments and there were none.

BOARD COMMENTS:

Police Chief Kochen reported that since the PTU program's inception (grant funded Prisoner Transportation) approximately 1090 trips were made to the Pinellas County Jail. He said based on trip averages to date the grant would expire between March and May of 2013. He hoped funding for the program would be found after 2013 because it was a great program.

Mr. Goen asked if the Committee's recommendation to the Board of Commissioners to invite a representative from St. Lucie County regarding their solar energy project was moving forward. City Manager LeCouris said staff was preparing a full review of solar energy as recommended by the Board of Commissioners that included the St. Lucie County Project.

Mr. Goen asked if the committee was interested in inviting the candidates to speak to the committee. Mr. Peters felt it was not appropriate prior to the election but suggested all candidates be invited after the election.

ADJOURNMENT:

The meeting adjourned at 3: 20 P.M.

TOWNSEND TARAPANI, CHAIRMAN

ATTEST:

K. MICHELE MANOUSOS, CMC
DEPUTY CITY CLERK & COLLECTOR

CITY CLERK'S NOTE: This meeting has been recorded in its entirety and the recordings are kept on file in the City Clerk's Office for the required retention period.