

RESOLUTION NO. 2022-3048

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF SANFORD, FLORIDA, TO APPROVE A MARINA FUND PROMISSORY NOTE WITH THE CITY OF SANFORD IN AN AMOUNT NOT TO EXCEED \$377,500.00; PROVIDING FOR APPROVAL OF A BUDGET AMENDMENT; PROVIDING FOR LEGISLATIVE FINDINGS AND INTENT; PROVIDING FOR ADMINISTRATIVE ACTIONS; PROVIDING FOR A SAVINGS PROVISION; PROVIDING FOR CONFLICTS; PROVIDING FOR SCRIVENERS ERRORS; PROVIDING FOR SEVERABILITY AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Sanford Marina Fund has a need for issuing a Promissory Note to facilitate certain capital improvements, repairs and related activities; and

WHEREAS, the purpose of the funding is to improve the City-owned Marina and to provide for certain capital improvements and needed repairs and maintenance; and

WHEREAS, it is prudent to provide for and set aside funding for said improvements, repairs and maintenance; and

WHEREAS, the City has adequate capital to provide the necessary funding as needed by the Marina; and

WHEREAS, it is the desire of the City Commission to provide an environment to create the opportunity for the receipt of additional revenues from the City-owned Marina and maximize the potential for success of the Marina operation and

WHEREAS, in order to implement the requisite funding, the City can loan funds to the Marina Fund by means of the issuance of a promissory note; and

WHEREAS, the Promissory Note provides for monthly payments from the Marina Fund to the City in the amount of \$5,000.00 each, commencing October 1, 2025, and continuing until paid in full.

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

SECTION 1. Legislative Findings and Intent.

(a) The City Commission hereby adopts and incorporates into this Resolution the above recitals (whereas clauses), the City Commission agenda memorandum relating to the subject proposed fiscal activities and the recommended actions by the City Staff.

(b) The City of Sanford has complied with all requirements and procedures of Florida law in processing and noticing this Resolution.

(c) The City Commission of the City of Sanford will consider all pertinent matters and engage in all applicable processes and procedures prior to making any conclusive determination relating to the granting of any loan by the City, and the City Commission shall continue to provide for the management of the City's finances in a prudent and effective manner to ensure that the public service needs and requirements of the citizens are met in a cost-effective manner.

SECTION 2. Approval of a Promissory Note with the Marina Fund. The City Commission approves the Promissory Note attached hereto as Exhibit "1" in an amount not to exceed \$377,500.00 The purpose of funding is to provide funding for certain improvements to the City-owned Marina and to provide for certain needed repairs and maintenance. The Mayor is hereby authorized to execute the Promissory Note on behalf of the Marina Fund.

SECTION 3. Approval of Budget Amendment. The City Commission approves the budget amendment provided in Exhibit "2" attached hereto and amends the City's 2021-22 Fiscal Year Annual Budget as set forth therein.

SECTION 4. Implementing Administrative Actions. The City Manager, or designee, is hereby delegated authority to implement the provisions of this Resolution in a plenary manner as deemed appropriate and advantageous to the City.

SECTION 5. Savings. The prior actions of the City of Sanford relating to the management of the City's finances, its actions relating to City owned Marina and any and all other related personnel, and matters pertaining thereto, are hereby ratified and affirmed.

SECTION 6. Conflicts. All resolutions or parts of resolutions in conflict with any of the provisions of the Resolution are hereby repealed.

SECTION 7. Scrivener's Errors. Typographical errors and other matters of a similar nature that do not affect the intent of this Resolution, as determined by the City Clerk and City Attorney, may be corrected.

SECTION 8. Severability. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other

provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

SECTION 9. Effective Date. The provisions of this Resolution shall take effect immediately upon its passage

PASSED AND ADOPTED this 8th day of August 2022.

ATTEST:

Cathy Lotempio

TRACI HOUGHIN, MMC, FCRM
CITY CLERK

Cathy Lotempio, Deputy City Clerk

Approved as to Form and
Legal Sufficiency:

William L. Colbert

WILLIAM L. COLBERT, ESQ.
CITY ATTORNEY

CITY COMMISSION OF THE CITY OF
SANFORD, FLORIDA

Art Woodruff

ART WOODRUFF
MAYOR



ATTACHMENT A REQUEST FOR BUDGET AMENDMENT

Fiscal Year 2022

Department: Recreation

Division: Marina

6/27/2022

CHANGES IN REVENUES

REVENUE ACCOUNT NUMBER						Current	Current	Amount of	Adjusted
Fund	Revenue	Act Cd	Ele	Project #	Revenue Account Title	Budget	Balance	Change	Unrealized
457	0000	389	98	00	Use of Reserves	\$ -	\$ -	\$ 377,500	\$ 377,500
TOTAL CHANGES IN REVENUES								\$ 377,500	

CHANGES IN EXPENDITURES

EXPENDITURE ACCOUNT NUMBER						Current	Current	Amount of	Remaining	
Fund	Dpt/Div	Activity	Obj	Ele	Project #	Expenditure Account Title	Budget	Balance	Change	Balance
457	5502	575	63	00	MA2201	Imp	\$ 399,308	\$ 298,713	\$ 142,500	\$ 441,213
457	5502	575	64	00		Machinery & Equip	-	-	180,000	180,000
457	5502	575	46	00		Repairs and Maintenance	-	-	55,000	55,000
TOTAL CHANGES IN EXPENDITURES								\$ 377,500		

REASON FOR AMENDMENT: Marina repairs and capital needs

DIRECTOR APPROVAL: _____

DATE: 8/2/2022

FINANCE APPROVAL: Cynthia Lindsay

DATE: 8/2/22

CITY MANAGER APPROVAL: _____

DATE: 8/2/2022

CITY COMMISSION AGENDA DATE: 8.8.2022

APPROVED

FOR FINANCE USE

Entry Date: 8/16/2022
S. Posey

Batch Number: B# 4861

Document #: BA 11-107

Res# 3048
CCM# 22-190

PROMISSORY NOTE RELATING TO SANFORD MARINA FUND

\$377,500.00

Sanford, Florida
Date: Aug 15, 2022

FOR VALUE RECEIVED, the undersigned, The City of Sanford Marina Fund (hereinafter the "SMF"), whose address is Sanford City Hall, 300 N. Park Avenue, Sanford, Florida 32771, the Maker of this Promissory Note, promises to pay to the order of Holder of this Promissory Note, City of Sanford, Florida, whose address is Sanford City Hall, 300 N. Park Avenue, Sanford, Florida 32771 (hereinafter the "City"), or at such place or places as the Holder hereof may designate, the principal sum of Three Hundred and Seventy-Seven Five Hundred Thousand Dollars and No Cents (\$377,500.00). Such principal sum shall be paid by SMF to the City as follows: commencing October 1, 2025, and continuing monthly thereafter, on or about the 1st day of each month, the monthly amount of \$5,000.00, with such monthly payments to continue until the principal sum is paid in full.

The Maker and endorser of this Promissory Note severally waives presentment for payment, protest, and notice of protest of the nonpayment of this Promissory Note, and consents that the time of payment may not be extended without notice thereof and the Holder's subsequent written agreement.

The Maker promises to pay all costs of collecting this Promissory Note including, but not limited to, a reasonable attorney's fee and other fees as set forth above, whether incurred in connection with collection, trial appeal or otherwise.

The Maker shall have the option and privilege to prepay in part or in full at any time the sum remaining unpaid, without penalty.

This Promissory Note is secured by any and all revenues, assets and property of the Maker and shall be construed and enforced according to the laws of the State of Florida.

Maker and Maker's Address:

City Of Sanford Marina Fund
300 N. Park Avenue
Sanford, Florida 32771

ATTEST:

CITY OF SANFORD MARINA FUND

Traci Houchin MMC, FCRM
Traci Houchin, MMC, FCRM
City Clerk



Art Woodruff
Art Woodruff
Mayor

For use and reliance of the Sanford
City Commission only.
Approved as to form and legality.

William Colbert
William Colbert, City Attorney

EXHIBIT "1"

Promissory Note

EXHIBIT "2"

Budget Amendment



[Handwritten signature]

WS _ RM X
Item No. 8.B

**CITY COMMISSION MEMORANDUM 22-190
AUGUST 8, 2022 AGENDA**

TO: Honorable Mayor and Members of the City Commission
PREPARED BY: Craig M. Radzak, Assistant City Manager
SUBMITTED BY: Norton N. Bonaparte, Jr., ICMA-CM, City Manager
SUBJECT: Procurement of Marina Related Items; Budget Resolution No. 2022-3048

STRATEGIC PRIORITIES:

- Unify Downtown & the Waterfront
- Promote the City's Distinct Culture
- Update Regulatory Framework
- Redevelop and Revitalize Disadvantaged Communities

SYNOPSIS:

Approval of Resolution No. 3048, to approve a loan from the General Fund to the Marina Fund and amend the budget and a procurement of several items relating to the Sanford Marina is requested.

FISCAL/STAFFING STATEMENT:

The total estimated cost is \$377,500. Funding will be provided by a loan from the General Fund to the Marina Fund and repayment will begin October 1, 2025, in monthly payments of \$5,000 to the General Fund from the Marina Fund. The cost of the purchases is as follows:

Lift-all Forklift (Used)	\$125,000	Replaces the current 40-year-old forklift
Boat Racks	\$60,000	Reconfiguration of current dry stack storage
Security Cameras	\$25,000	Replaces current system struck by lighting
Reduce Erosion	\$15,000	Pump Concrete under dry storage building
Front Addition	\$30,000	Demolition of front addition (roof leaks & mold)
Vehicle (Used)	\$25,000	Reduce delivery fees, eliminates employees using personal Vehicle, Insurance
Gator Cart	\$15,000	Assist with trash pickup and miscellaneous repairs
Fuel Tank Dispenser	\$15,000	Repair leak / evaporation
Roof assessment	\$2,500	Dry stack roof assessment
Miscellaneous	\$10,000	Replacement straps, repair of small forklift, exhaust fan to reduce carbons in building
Barbara Lee Roof Repair	\$55,000	Remove parapet walls, clean roof drains

BACKGROUND:

At the May 9, 2022 City Commission meeting, the management and operations contract was awarded to Founders 3 for the management and operation of the Sanford Marina. Since assuming management of the Marina, Founders 3 has identified several safety, security, and operational

concerns at the Marina that require attention. In order to safely and efficiently operate the Marina, staff recommends the described procurement move forward as quickly as possible.

The following items have been identified by City staff and Founders 3 as items/matters that require attention:

The current 1982 Lift-all Forklift leaks hydraulic fluid which presents a slip hazard. In order for repairs to take place, the unit needs to be taken off site for evaluation which would hinder the operation of moving boats in and out of the dry storage building. Due to the age, 40 years, the needed repairs would likely cost more than the unit is worth. The proposed cost of \$125,000 would be for the acquisition of a used unit. New units cost approximately \$500,000.

The replacement of the boat racks would allow the forklift operator to efficiently and safely move larger boats in and out of the dry storage building. The current security system is not operational, as it was struck by lightning several years ago and was never repaired or replaced. A new system would provide adequate alerting systems and video footage for review if needed.

The front addition (non-permitted) adjacent to the ship store has multiple roof leaks, mold, and rotten wood siding (and perhaps rotten wood studs). It is recommended that this area be demolished, and possibly utilize it for much needed parking.

The Marina currently does not have any vehicle(s) to pick up supplies, run errands, pick up trash/debris, and maintain the premises. Employees must use their personal vehicles for work related tasks. The purchase of a mid-size truck and Gator cart would be useful and reduce delivery fees currently being incurred.

The dry storage building has poor ventilation and an elevated amount of carbon when equipment is operating. An exhaust fan needs to be installed to expel toxic gases out of the building. The dry stack building also has the slap cracking in multiple places and needs evaluation. Although the dry stack building doesn't have any roof leaks a roof assessment should be done.

Other miscellaneous expenditures would include fuel dispenser replacement, Travel Lift straps replacement, repairs to the small forklift, and other repairs needed to keep the Marina operating safely.

LEGAL REVIEW:

The Assistant City Attorney has reviewed the materials and prepared Resolution No. 3048 and has no legal objection. The procurement activity will occur in accordance with the current agreement with Founders 3 and the City, and the City's Purchasing Policies and Procedures.

RECOMMENDATION:

City staff recommends that the City Commission approve the procurement of Sanford Marina related items, as well as the adoption of Resolution No. 3048, approving the loan from the General Fund to the Marina Fund and amending the Marina's budget in the amount of \$377,500.

SUGGESTED MOTION:

"I move to approve the requested procurement and associated Resolution No. 3048."

Attachment: Promissory Note

Resolution No. 3048