



# City of Palm Coast

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## Meeting Minutes City Council Workshop

*Mayor Jon Netts*  
*Vice Mayor William Lewis*  
*Council Member Jason DeLorenzo*  
*Council Member Bill McGuire*  
*Council Member Frank Meeker*

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**Tuesday, December 13, 2011**

**9:00 AM**

**Council Conference Room**

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>Other matters of concern may be discussed as determined by City Council.

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### **A. Call to Order**

*Mayor Netts called the meeting to order at 9:00 a.m.*

### **B. Pledge of Allegiance to the Flag**

### **C. Roll Call**

**Present:** 5 - Mayor Netts, Vice Mayor Lewis, Council Member DeLorenzo, Council Member McGuire, and Council Member Meeker

### **D. PRESENTATIONS**

#### **1**      **[11-433](#)**      RESOLUTION 2011-XX TO CO-DESIGNATION KINGS WAY BY ADDING CELICO WAY

**Attachments:**      [Resolution Co Designation Kings Way](#)

*Mr. Landon gave a brief overview to this item. Bob Boggs gave a PowerPoint presentation, which is attached to these minutes.*

*CM McGuire-Has there ever been a request to have a street name changed to accomodate an issue such as this? Ans: Mr. Landon- Not since I have been here. Mayor Netts-We changed two street names that I am aware of that were ethnically insensitive names; we changed Squaw Blossom and Squaw Trail to Squash Blossom and Squash Trail.*

CM McGuire-Is that the actual size? Ans: Mr. Boggs-Yes.

CM Meeker-offered another solution to rename the first segment Celico Way and keep the rest of the street Kings Way, not affecting the businesses.

Mayor Netts-suggested blending Option 3 with Option 4-placing a dual sign.

Mayor Netts-Since there are no businesses that front on the first segment of Kings Way, if we put the dual sign up on the street, would we have to by Ordinance change that name? Ans: Mr. Landon-If you want to officially change the name it will be by Ordinance, if you want to just put the sign up-it is not by Ordinance. We can do the dual signage without the Ordinance.

Mayor Netts-How quickly can we get the signs up? Ans: Mr. Boggs-approximately 3 weeks.

Mr. Landon suggested doing a Resolution to formalize changing the sign. Mayor Netts asked for Council concurrence. Council concurred.

**The Presentation was Received and Filed.**

2      [11-434](#)

PRESENTATION INTERLOCAL AGREEMENT WITH FLAGLER COUNTY FOR WASTEWATER SERVICE TO BEVERLY BEACH.

Mr. Landon gave an overview to this item. Richard Adams gave a PowerPoint presentation, which is attached to these minutes.

Mayor Netts-The County is only using approximately 29,000 gallons for capacity but is requesting a 60,000 gallon capacity? Ans: Mr. Adams-Yes.

CM McGuire-Do we have enough for their requested capacity? Ans: Mr. Adams-Yes.

CM Meeker-Would we still have to treat it? Ans: Mr. Adams-Yes, we would still have to treat it.

CM Meeker-And there is cost associated with having to treat it, correct? Ans: Mr. Adams-Correct.

CM McGuire-Are we cutting a deal with Beverly Beach or the County? Ans: Mr. Adams-The deal is with the County for the benefit of Beverly Beach.

CM McGuire-Is the pumping station within Palm Coast City limits? Ans: Mr. Adams-Neither pump station will be in the Palm Coast City limits.

Mayor Netts-Will we have access to the easement for the repumping station to build and maintain? Ans: Mr. Adams-Yes.

Mayor Netts-If we grant the County, based on the lowest six months, what incentive does the County have to maintain and reduce I and I (infiltration and inflow)? Ans: Mr. Adams-gave a summary of the amounts paid since 2009 versus the amount that County could have paid due to the lowest six months versus the average amounts.

CM McGuire-What would be the characterization of the anomaly? Ans: Mr. Adams-Explained the anomaly.

Mayor Netts-Is it fair to say a system left unmaintained will increase the I and I? Ans:

Mr. Adams-Yes. Mayor Netts to County Administrator-What is the incentive for the County to maintain the system from the Beverly Beach line to the pump station? Ans: Mr. Coffey-explained the incentive to the County to maintain the system. The incentive is to get it down as low as possible.

Attorney Reischmann-Are these rates calculated per a rate study? Ans: Mr. Adams-Yes, they are based on a rate study. Attorney Reischmann-Does the rate study take into consideration the I and I? Ans: Mr. Adams-According to the study and the rate consultant, yes it does.

Mayor Netts asked Mr. Adams to summarize the letter from PRMG.

CM McGuire-Are we billing the County for water usage or sewer metered? Ans: Mr. Adams-Sewage metered.

Mayor Netts- Does it cost more to treat concentrate sewage or diluted sewage? Ans: Mr. Adams-The majority of the cost is to hydraulically move the liquid.

VM Lewis-Is the \$3.17 per gallon, would that rate be charged to the County as diluted? Ans: Mr. Adams-The cost would be higher as it would measure the rain water.

Mayor Netts-If we tripled our customer base, we would have to expand the plant, the City doesn't make a profit from this, so it doesn't make sense to triple, the City's involvement is a good neighbor thing to do but we want to make sure we don't hurt our rate customers. Mr. Adams-There is economy of scale.

CM Meeker-Under the current proposal to use the average 6 month for stormwater infiltration, would the rate customers of Palm Coast be offsetting the residents of Beverly Beach? Ans: Mr. Landon-We do not have a definitive answer.

Mayor Netts-How pressing is this to the County? Ans: Mr. Coffey-It is very pressing to the County. We are less than 1% of your system.

CM DeLorenzo-The capacity fees, the impact fees, is that for reserve capacity? Ans: Mr. Adams-It is the capital costs.

CM DeLorenzo- Are any ad valorem taxes paying for the impact fee? Ans: Mr. Coffey-No, it's all paid out of a grant. We will be getting a construction loan.

Mayor Netts-Can we have Mr. Ori come in and give us an explanation? Ans: Mr. Landon-Yes.

CM Meeker-Is there any benefit to move on with the understanding of a new rate study that will come in? Ans: Mr. Landon-Yes.

Mayor Netts would like for Mr. Ori to come before Council makes a decision.

CM McGuire-How much capital funds are going to be required from the City's budget? Ans: Mr. Adams- \$2million to \$2.5 million. CM McGuire-Is that budgeted? Ans: Mr. Adams-Yes.

Mayor Netts-That \$2 million to \$2.5 million is not solely for Beverly Beach. Ans: Mr. Adams-Correct.

CM Meeker-Is there legislation out there to mandate inspections of septic tanks? Ans:

*Mr. Coffey believes that is going to be repealed.*

*This item will be workshoped again on January 10 with Mr. Ori from PRMG, Inc. (rate study consultant).*

**The Presentation was Continued.**

- 3      [11-418](#)      RESOLUTION 2011-XX PROVIDING FOR COLLECTION OF OLD KING'S ROAD SPECIAL ASSESSMENTS ON PROPERTY TAX BILLS.

**Attachments:**      [Resolution Collection of OKR Special Assessments](#)  
[OKR - Property Owners](#)  
[OKR-Special Assessment Dist. Map](#)

*Mr. Landon gave a brief overview of this item.*

*CM DeLorenzo-Is that the total cost of that project or is that the cost difference between a rural road? Ans: Mr. Landon-The Agreement called for the property owners to pay for the cost of a rural 4 lane crossing. The City agreed to pay for that portion that was above and beyond just building the capacity but actually making it look like Palm Coast.*

*VM Lewis-Does this item put us in place to assess if necessary? Ans: Mr. Landon-Yes.*

*Mayor Netts-Passing this doesn't diminish only enhance our position? Ans: Mr. Landon-Correct.*

**The Resolution was Continued.**

- 4      [11-409](#)      RESOLUTION 2011-XX APPROVING THE PRE-DISASTER MITIGATION GRANT APPLICATION ADMINISTERED THROUGH THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR REPLACEMENT OF THREE EXISTING WATER CONTROL STRUCTURES I-1, I-4, AND I-6.

**Attachments:**      [Resolution FEMA Grants](#)  
[Pre Disaster Mitigation Grant Application Exhibit "A"](#)  
[Location Map](#)

*Mr. Landon gave a brief overview to this item.*

*Mayor Netts-Assuming we receive this grant, Is this the project you want to spend it on? Ans: Mr. Moden-Yes, it is on the priority list.*

*CM Meeker-Are these three all at the same elevation? Ans: Mr. Moden-No they are not at the same elevation. Correction- CM Meeker also commented on directing staff to discuss with the Water Management District to see if there is an option of going to 2 weirs as opposed to repairing 3; and to see if that will have any additional requirements for permitting.*

*CM McGuire-Will the FEMA grants excelerate the project? Ans: Mr. Moden-Yes.*

*Mr. Landon also provided a brief summary of the next item.*

**The Resolution was Continued.**

- 5      [11-407](#)      RESOLUTION 2011-XX APPROVING THE PRE-DISASTER MITIGATION GRANT APPLICATION ADMINISTERED THROUGH THE FEDERAL EMERGENCY

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MANAGEMENT AGENCY FOR REPLACEMENT OF THREE EXISTING WATER CONTROL STRUCTURES L-1, K-1, AND K-6

**Attachments:** [Resolution FEMA Grant L1 K1 K6](#)  
[Pre Distaster Mitigation Grant Exhibit "A"](#)  
[Location Map](#)

*Mr. Landon gave a brief overview in the previous item.*

**The Resolution was Continued.**

6 [11-420](#)

PRESENTATION - PALM COAST BUSINESS ASSISTANCE CENTER UPDATE.

*Mr. Landon asked to skip to item 9 as Mr. Roy is out of the office and will be back shortly. Council concurred to start with Item 8. Mr. Falgout and Mr. Roy provided a PowerPoint presentation, which is attached to these minutes.*

*VM Lewis-Will this make you a target? Ans: Mr. Roy-Not our intention to be a competition.*

*CM McGuire-Does it ever come up to pair "same" type of companies? Ans: Mr. Roy-Yes, it does.*

*CM Meeker-as time progressing some of those businesses may fail, are they then backed out of those calculations? Ans: Mr. Roy-we can but we are not at that point yet.*

*VM Lewis-The consultation is free but can there be an application fee implemented? Ans: Mr. Roy-the City receives payment when the Business Tax Receipt is opened.*

*CM McGuire-There is a gradual increase in the slope, what happened in October? Ans: Mr. Roy- I believe that is when the Hair Salon came in and created approximately 10 jobs.*

*Mr. Falgout is asking for direction for a Student Entrepreneurship contest? CM McGuire-We should model this after the school's current Problem Solvers program. CM Meeker-When this was presented, he thought, the City was going to provide the first two years to start the program.*

*Mr. Landon-What is the best approach? Ans: CM Meeker-likes the award approach. CM McGuire-likes the award approach and to partner with another, for example, the Chamber.*

**The Presentation was Continued.**

7 [11-421](#)

PRESENTATION - BUSINESS READY PROGRAM.

*Mr. Falgout presented a PowerPoint presentation to this item, which is attached to these minutes.*

*Council likes the partnership signage.*

*VM Lewis-Where does the \$25,000 come? Ans: Mr. Landon-It is budgeted.*

*CM McGuire-Joint Marketing-do the owners also put in \$8,000? Ans: Mr. Landon-Are we requiring it to be 50/50?*

VM Lewis-Is the \$25,000 per? Ans: Mr. Landon-No, it is total.

CM Meeker-Will there be a contract to enter into the program? Ans: Mr. Landon-Yes.

Mayor Netts-How do the "Georgia's" and "Carolina's" get around the permitting requirements?

VM Lewis-What do you mean by staff implementation? Ans: Mr. Falgout-That would come after we have signed agreements.

CM DeLorenzo-Will the video's be branded? Ans: Mr. Falgout-Yes.

**The Presentation was Received and Filed.**

8 [11-422](#)

RESOLUTION 2011-XX APPROVING THE PALM COAST BUSINESS ASSISTANCE CENTER GUARANTEE ASSISTANCE PROGRAM GUIDELINES

**Attachments:** [Resolution BAC Guarantee Assistance Program](#)  
[BAC GAP Guidelines](#)

Mr. Falgout provided a PowerPoint presentation to this item, which is attached to these minutes.

CM Meeker-Why so broad for location? Ans: Mr. Falgout-it was part of the requirements from the dissolution of Enterprise Flagler.

CM McGuire-confirmation on an existing business. Ans: Mr. Landon-if you are existing already outside the County and you relocate to Palm Coast you will be eligible.

CM McGuire-when you guarantee a loan, even freddy mac requires collateral, will we have collateral attached? Ans: Mr. Falgout-1:52 Most of the needs for the BAC are lines of credit.

CM McGuire-Do we require a business plan, bank statements, FPL bills etc.? Ans: Mr. Quinn-Yes, it will be part of the bank documents.

CM McGuire-Do we get the Guarantee Fee up front? Ans: Mr. Falgout-Yes and it is put back into the program.

VM Lewis How did we arrive at the \$100? Ans: Mr. Quinn-The committee felt we needed a fee that would show that people are serious with the program.

Mayor Netts-Are we restricting the lending to local banks? Ans: Mr. Falgout-No, there is nothing in the guidelines, we have spoken to the banks that we know are lending.

**The Resolution was Continued.**

9 [11-425](#)

RESOLUTION 2011-XX APPROVING THE PROCUREMENT OF NEIGHBORHOOD STABILIZATION PROGRAM 3 (NSP3) DEVELOPER SERVICES FOR THE AFFORDABLE RENTAL HOUSING PROGRAM

**Attachments:** [Resolution Procurement of NSP3 Developer Service](#)  
[Memo from Purchasing](#)  
[Public Notice](#)  
[Notice of Intent to Award](#)

*This item was heard prior to item 6. Beau Falgout introduced Corbett Alday from Guardian. Mr. Falgout gave a PowerPoint presentation, which is attached to these minutes.*

*VM Lewis-Lease is rent? Ans: Mr. Falgout-Yes.*

*CM McGuire-how do you qualify prospective renters/buyers? Ans: Mr. Falgout explained the process. County handles the application process.*

*CM McGuire-If a family is placed into a home and later defaults and is foreclosed upon, what happens to the City's investment? Ans: Mr. Falgout-we have a mortgage and the ability to foreclose on the property.*

*VM Lewis-these programs are not new, what makes this program different from 30 years ago? Ans: Mr. Alday-We are trying to comply with the program relating to foreclosures, abandoned, tax distressed, etc. since 2008 program inception.*

*CM McGuire-When you renovate, do we try to convert them to our Green goals? Ans: Mr. Falgout-Yes.*

*VM Lewis-In the rehabs are they neighborhood specific or City-wide? Ans: Mr. Falgout-it is City-wide.*

*Mr. Falgout gave an overview of the next two items as well (Items 10 and 11).*

*VM Lewis-What seems to be the resistance? Ans: Mr. Falgout-Long term committment and not a lot of profit.*

*Mr. Falgout advised there will be some minor changes to NSP3 Rental Developers Agreement.*

*Mayor Netts noted it was 11:30 am and asked for Attorney Reischmann to provide an update to the recess for the Attorney Client Session. Mayor Netts-asked for Council concurrence to cancel the continuation of the Attorney Client Session.*

*Moving to item 10.*

**The Resolution was Continued.**

10      [11-426](#)      RESOLUTION 2011-XX APPROVING NEIGHBORHOOD STABILIZATION PROGRAM 3 RENTAL DEVELOPER AGREEMENT.

**Attachments:** [Resolution-NSP3 Rental Developer Services](#)  
[NSP3 Rental Developer Services Agrmt Redline 12 14](#)

**The Resolution was Continued.**

11      [11-427](#)      RESOLUTION 2011-XX NEIGHBORHOOD STABILIZATION PROGRAM POTENTIAL APPLICANT CONFLICT OF INTEREST DISCLOSURE AND DETERMINATION

**Attachments:** [Resolution NSP Potential Conflict](#)

*Mr. Falgout gave a brief overview of this item during his PowerPoint presentation.*

*CM McGuire-Do we have a Nepotism Policy? Ans: Mr. Landon-Yes, however, not when these three individuals were hired.*

**The Resolution was Continued.**

**E. WRITTEN ITEMS**

- 12     [11-431](#)           RESOLUTION 2011-XX AMENDING RESOLUTION 2009-182 TO EXTEND THE SUNSET DATE OF THE WAIVER OF ADMINISTRATIVE, PLAN REVIEW, AND INSPECTION FEES, PERTAINING TO GREEN DEVELOPMENT INCENTIVE PROGRAM.

**Attachments:**     [Resolution Amending Green Fees](#)  
                          [Resolution 2009-182](#)

**The Resolution was Continued.**

- 13     [11-419](#)           RESOLUTION 2011-XX APPROVING CHANGE ORDER #2 WITH MASCI GENERAL CONTRACTORS, INC., FOR THE CONSTRUCTION OF RYMFIRE DRIVE MULTI-USE PATH PROJECT.

**Attachments:**     [Resolution Masci Change Order 2](#)  
                          [Change Order 2-Masci-Rymfire Multi-Use Path](#)

*Mr. Landon gave a brief overview of this item. Carl Cote provided a map for Council.*

**The Resolution was Continued.**

- 14     [11-391](#)           RESOLUTION 2011-XX ESTABLISHING THE LOCAL GOVERNMENT INFRASTRUCTURE SURTAX DISTRIBUTION PERCENTAGES FOR CALENDAR YEAR 2012.

**Attachments:**     [Resolution-Local Gov't Infrastructure Surtax Distrib.2012](#)

*Mr. Landon gave a brief overview to this item. This will be the last year for the 1/2 cent surtax.*

*CM DeLorenzo-Why is it our responsibility to do all the calculations? Ans: Mr. Quinn-That is what is stipulated in the Interlocal Agreement.*

**The Resolution was Continued.**

- 15     [11-436](#)           PALM COAST SPORTS ALLIANCE

**Attachments:**     [Palm Coast Sports Alliance](#)

*Mr. Landon gave a brief overview to this item and introduced Luanne Santangelo.*

*CM DeLorenzo-Do all these on the committee use our facilities? Ans: Ms. Santangelo-Yes, we work with all of them.*

**The Presentation was Received and Filed.**



**F. DISCUSSION BY CITY COUNCIL OF MATTERS NOT ON THE AGENDA**

*VM Lewis-Can we get another band in the parade? Ans: Mr. Landon-we would be happy to get a lot more bands in the parade.*

*CM McGuire-Can we provide instructions to the public for speaking at the public meetings? Mayor Netts-Add it to the agenda. Mr. Landon-we will put it under the public participation.*

*CM Meeker-Lindenhurst Lane-stay right of the median. Mr. Landon will follow up on this.*

*CM Meeker-Since we pay for the SRD's, is there any training the SRD's can provide to students? Mayor Netts-the Sheriff does an annual bike inspection program, perhaps we can ask to have that added to their program. Mayor Netts-let's ask Luanne to add this to her programs too. CM Meeker-let's add it to TV 199.*

*CM Meeker-The lands for sale along Palm Coast Parkway (southside), does anyone know who owns it? Mr. Landon-Not sure, can find out by accessing the Property Appraisers sight, some of the land is under Greenbelt that would not allow for commercial without Council changing its comp plan.*

*CM Meeker-Has there been any more discussion on the bargain agreements for Ralph Carter Park violators? Mr. Landon-has not heard back on this yet and will follow up on it.*

*CM Meeker-Status of renaming of Field 1 at ITSC. Mr. Landon-Very close to having that done.*

*Mayor Netts reminded everyone of the Intergovernmental Meeting tonight at 5:30pm at the County EOC. Asked to have a Resolution brought next week relating to opposition of a tax exemption for online purchasing.*

**G. DISCUSSION BY CITY ATTORNEY OF MATTERS NOT ON THE AGENDA**

*Nothing at this time.*

**H. DISCUSSION BY CITY MANAGER OF MATTERS NOT ON THE AGENDA**

*Mr. Landon spoke of the parade. Mayor Netts asked to have the viewing stand moved so the rest of the crowd can see them and they can see the rest of the crowd.*

*Mr. Landon-last workshop the DRI Agreement for Hammock Dunes was discussed, the County is moving at a fast pace. If the County passes the Resolution it is a done deal. We are working very fast with our legal to determine if we have legal standing. CM DeLorenzo-Should we bring this up tonight at the Intergovernmental Workshop? Ans: Mayor Netts-Yes and if we do not get any solution tonight, he plans on attending their meeting on Monday.*

**Recess City Council Workshop at time certain 11:30 am for Attorney Client Session as per Florida Statutes, Section 286.011(8)**

- I. Open Attorney Client Session (continuation) relating to discussion of settlement and strategy related to litigation expenditures in the case of William G. Mayfield vs. City of Palm Coast, American Traffic Solutions, LLC and ATS American Traffic Solutions, Inc., Case Number 2009-CA-002245. The estimated length of the session is approximately 1 hour.**

**In attendance of Attorney Client Session shall be only the following persons: Mayor Jon Netts, Vice Mayor William Lewis, Council Member Jason DeLorenzo, Council Member Bill McGuire, Council Member Frank Meeker, City of Palm Coast City Manager Jim Landon and City of Palm Coast Attorneys Usher Brown, Esq.(via telephone) and William E. Reischmann Jr., Esq.**

**THE ATTORNEY CLIENT SESSION CONTINUATION WAS CANCELLED.**

**Close Attorney Client Session and Reconvene City Council Workshop**

- J. ADJOURNMENT**

*The meeting was adjourned at 2:50pm*

*Respectfully submitted,  
Virginia Smith, City Clerk*

**11-435 MEETINGS CALENDAR AND AGENDA WORKSHEET**

**Attachments:** [Annual Council-Committee-Board Meetings](#)  
[Agenda Worksheet](#)

**11-441 ATTACHMENTS TO MINUTES**

**Attachments:** [1-Name Change Presentation](#)  
[2-Sewer Service to Beverly Beach Interlocal](#)  
[6-BAC Presentation](#)  
[10 & 11- NSP1-NSP3](#)