



City of Palm Coast

Palm Coast
Community Center
305 Palm Coast Pkwy., NE
Palm Coast, FL 32137
palmcoastgov.com

Meeting Minutes

City Council

Mayor Jon Netts
Vice Mayor Bill McGuire
Council Member Jason DeLorenzo
Council Member David Ferguson
Council Member William Lewis

Tuesday, February 5, 2013

6:30 PM

Palm Coast Community Center

City Staff

Jim Landon, City Manager

William Reischmann, City Attorney

Virginia A. Smith, City Clerk

>Public comment on issues on the agenda or public participation shall be limited to 3 minutes.

>If any person decides to appeal a decision made by the City Council with respect to any matter considered at such meeting or hearing, he/she will need a record of the proceedings, including all testimony and evidence upon which the appeal is to be based. To that end, such person will want to ensure that a verbatim record of the proceedings is made.

>The City of Palm Coast is not responsible for any mechanical failure of recording equipment.

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

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>City Council Meetings are televised on Brighthouse Networks Channel 199.

>All pagers and cell phones are to remain OFF while City Council is in session.

A. Call to Order

Mayor Netts called the meeting to order at 6:30 p.m.

B. Pledge of Allegiance to the Flag

C. Roll Call

City Clerk Virginia Smith called the roll. All members were present.

Mayor Netts introduced Luke Givens, District Aide to Representative Travis Hutson. Mr. Givens spoke briefly about Representative Hutson's local office here in Palm Coast.

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

Approval of Minutes

- 1 [13-23](#) MINUTES OF THE CITY COUNCIL'S:
- A. January 15, 2013 City Council Business
 - B. January 15, 2013 City Council Special Meeting
 - C. January 29, 2013 City Council Workshop
- Attachments:** [January 15, 2013 Business Meeting](#)
 [January 15, 2013 Special Business Meeting](#)
 [January 29, 2013 Workshop](#)

The Minutes were adopted.

Approved: 5 - Mayor Netts, Vice Mayor McGuire, Council Member DeLorenzo, Council Member Ferguson, and Council Member Lewis

Proclamations and Presentations

- 2 [13-06](#) PROCLAMATION RECOGNIZING FEBRUARY 6, 2013 AS "FLAGLER/PALM COAST NEWS-TRIBUNE 100TH ANNIVERSARY CELEBRATION DAY."
- Attachments:** [News Tribune 100th Anniversary](#)

CM Lewis presented this Proclamation to Tony Holt, representative of the Flagler News-Tribune.

The Proclamation was received and filed.

- 3 [13-01](#) PROCLAMATION RECOGNIZING FEBRUARY 15 THROUGH FEBRUARY 17, 2013 AS "WHITE CANE DAYS"
- Attachments:** [White Cane Days](#)

VM McGuire presented this Proclamation to representatives of the Palm Coast Lions Charities.

The Proclamation was received and filed.

- 4 [13-22](#) PRESENTATION ON GOVERNMENT IN THE SUNSHINE AND PUBLIC RECORDS.
- Attorney Reischmann provided Council a presentation on Government in the Sunshine and Public Records. Attorney Reischmann provided a handout to Council Members, which is attached to these minutes.*

The Presentation was received and filed.

ORDINANCES, RESOLUTIONS, AND PUBLIC HEARINGS

Order of Business for Public Hearings (Council may make inquiries at any stage):

Open Hearing
Staff Presentation
Applicant Presentation (if applicable)
Council Questions of Applicant (if applicable)
Public Comments/ Presentations
Rebuttal by Applicant (if applicable)
Close Hearing
Council Discussion
Council Action

First Reading

- 5 [12-882](#) ORDINANCE NO. 2013-XX AMENDING ORDINANCE NO. 2003-11 PROVIDING FOR THE CONTRACTION OF THE GRAND HAVEN COMMUNITY DEVELOPMENT DISTRICT BOUNDARIES
- Attachments:** [Amending Ord. 2003-11 Grand Haven CDD Boundary Contraction](#)
[Location Aerial Map](#)
- Attorney Reischmann read the title of this Ordinance into the record. Mr. Landon gave a brief overview of this item. Ms. Sara Lockhart provided a PowerPoint presentation, which is attached to these minutes.*
- There were no public comments.*
- A motion was made by Vice Mayor McGuire, and seconded by Council Member Lewis, that the Ordinance be approved on First Reading. The motion was adopted by the following vote:**
- Approved:** 5 - Mayor Netts, Vice Mayor McGuire, Council Member DeLorenzo, Council Member Ferguson, and Council Member Lewis

Other Business

- 6 [13-14](#) APPOINT FOUR MEMBERS TO FILL OPENINGS ON THE LEISURE SERVICES ADVISORY COMMITTEE
- Attachments:** [LSAC Applications](#)
- CM Lewis suggested tabling the last appointment. CM Ferguson clarified the applicants on the list would all be considered for the last seat on this committee.*
- A Motion was made by CM Lewis and seconded by VM McGuire to appoint 3 of the 4 seats to Ms. Culpepper, Ms. Milberg, and Ms. Andrezejczyk. The final appointment was Continued. The Motion was adopted by the following vote:**
- Approved:** 5 - Mayor Netts, Vice Mayor McGuire, Council Member DeLorenzo, Council Member Ferguson, and Council Member Lewis
- 7 [13-16](#) APPOINT A CITY COUNCIL MEMBER TO THE VOLUSIA TRANSPORTATION PLANNING ORGANIZATION FOR 2013.
- VM McGuire motioned to appoint Mayor Netts to the TPO.*

The Appointment was approved.

Approved: 4 - Vice Mayor McGuire, Council Member DeLorenzo, Council Member Ferguson, and Council Member Lewis

Consent Agenda

- 8 [13-15](#) RESOLUTION 2013-XX APPROVING PIGGYBACKING THE AGREEMENT BETWEEN CONCRETE CONSERVATION, INC., AND VOLUSIA COUNTY, IN AN AMOUNT NOT-TO-EXCEED \$57,225.00, FOR MATERIALS AND INSTALLATION OF MANHOLE LINERS.
- Attachments:** [Resolution-FY 2013 Piggybacking Volusia County between Concrete Conser](#)
[Concrete Conservation/Volusia County Agreement](#)
[Concrete Conservation Engagement Letter 2-5-13](#)
- The Resolution was adopted on Consent.**
- Approved:** 5 - Mayor Netts, Vice Mayor McGuire, Council Member DeLorenzo, Council Member Ferguson, and Council Member Lewis
- 9 [13-05](#) RESOLUTION 2013-XX APPROVING A ONE-YEAR CONTRACT RENEWAL WITH HIGH COTTON USA, INC., TO PERFORM UTILITY BILLING SERVICES.
- Attachments:** [Resolution - High Cotton - Utility Billing](#)
[High Cotton First Renewal Letter 1-23-13](#)
- The Resolution was adopted on Consent.**
- Approved:** 5 - Mayor Netts, Vice Mayor McGuire, Council Member DeLorenzo, Council Member Ferguson, and Council Member Lewis
- 10 [13-10](#) RESOLUTION 2013-XX APPROVING A ONE YEAR RENEWAL TO THE CONTRACTS WITH TRI-COUNTY BOBCAT SERVICES, INC., AND ANTHONY'S LAND SERVICES, INC., FOR HAZARDOUS TREE REMOVAL SERVICES.
- Attachments:** [Resolution Tree Removal Services](#)
[Tri-County Bobcat First Renewal Letter 2-5-13](#)
[Anthonys Land Service First Renewal Letter 2-5-13](#)
- The Resolution was adopted on Consent.**
- Approved:** 5 - Mayor Netts, Vice Mayor McGuire, Council Member DeLorenzo, Council Member Ferguson, and Council Member Lewis

End of Consent Agenda

D. Public Participation

After the Mayor calls for Public Participation, each member of the audience interested in speaking on any topic not on the agenda shall come to the podium, state their name and will have up to three (3) minutes to speak. The Mayor will advise when the three (3) minutes are up and the speaker will be asked to take a seat and wait until all public comments are finished to hear answers to all questions. Once all members of the audience have spoken, the Mayor will close public participation and no other questions/comments shall be heard. Council and staff will then respond to questions posed by members of the audience. Should you wish to provide Council with any material, all items shall be given to the City Clerk and made part of the record. If anyone is interested in discussing an issue further or ask additional questions, individual Council Members and staff will be available after the meeting to discuss the matter and answer questions.

Vince Ligouri-Water utility rates; provided suggestion on how to obtain revenue.

Tom Lawrence-Water utility rates.

Von Rac-Why have we had over 324 rate increases?

Dan Bozza-Utility rates; food pantries, students reading capabilities; number of homeless. (given an additional minute to speak).

Dennis McDonald-given 2 additional minutes to speak; utility rates; operating outside of the City limits.

Vickie Hardley-loves Palm Coast, is on Social Security, water bill is \$65 however cannot afford to continue to pay the fees in a water bill.

Mike Grotto-overwhelmed by all the speakers; entitled to look at records, would like to see the financial records of the utility department.

Charlie Roth-would like a Pet Memorial.

Ron Cubba-utility rates.

Viviana Gamara-water utility

Joe Cabowski-water utility rates; why are we so much more expensive than Miami-Dade.

Bob Jergel-echos water utility; Senior center; YMCA; paving of Old Kings Road; and unanimous consent of I-95 Interchange.

Janet McDonald-save little piece of Palm Coast, Palm Coast Parkway East; lighting by the Panther in Linear Park.

Kenneth Wainright-Why 3 pick-ups per week for garbage?

Rose Panetta-we need money-why so much landscaping? How many more times are we going to landscape Belle Terre?

Linda Hansen-How difficult would it be to make Palm Coast Parkway from the bridge to I-95 a scenic route?

Doug Chozinian-Utility rates; trees.

Alan Kapshaw-Utility rates. What is the plan, is there earmarkings, salary increases, projects-new, staffing increases?

Rebecca Ost-sells property and Palm Coast; utility rates.

John Sowlinski-How much have we borrowed out of the utility fund? Why is there no effort to collect the \$10 million for the Golf Course? \$1 million for the CRA?

Responses to Public Participation:

Alternative funding-Mayor Netts asked Mr. Quinn to bring forward the suggestions from the first few speakers to a Council workshop.

324 Rate increases-Mr. Quinn explained how many rate increases outside of the regular CPI increases-one is 2008.

Operating outside of the limits for water-Mayor Netts-Yes, you get water outside the limits; there are 3 components to a water system-acquisition, treatment, and distribution. Mayor Netts explained distribution is realitvely the same no matter where you are located; cost of treatment is dependant upon the quality of the water; acquisition is dependant upon your location, if you have to utilize shallow wells. Where we are has a direct impact on cost of acquisition-it is a question of geography. Please see Mr. Quinn after the meeting for the Profit and Loss statements.

Why do we pay more than other counties-the low cost of water in Miami-Dade-Mr. Adams-explained there are many differences between Miami-Dade and the City. Quality of water that they pull from their aquifers are much better than ours. Their wastewater discharge and secondary discharge is under review by the EPA and DEP. They will have to spend major dollars to improve their wastewater treatment. Their existing utilities are also under review and Miami Dade is in trouble for not maintaing their system. They have a multi billion dollar problem. They have not charged the rates in order to keep up with the maintenance.

Plans, bonds, projects? If that speaker, (Mr. Kapshaw) could please see Mr. Adams-we have a PowerPoint presentation that we can provide to you.

Borrowed? \$10 million for the Golf Course? \$1 million CRA? Mr. Quinn-general fund lent a little under \$6 million to start the redevelopment, repayment will begin in 2014; the funds are not mixed with utility funds.

Mr. Quinn-\$5.5 million invested in the Golf Course.

Mr. Quinn-Improvements for Old Kings Road South \$5.3 million and it has not been written off; interest rate is 5% for repayment.

Pet Memorial-will ask Leisure Services to look at a Pet Memorial.

YMCA-the YMCA has no money to build a facility but will gladly come and provide services if someone is willing to donate the building.

Paving of Old Kings Road South-it is in the planning phase and requires money. I-95 Interchange-County project not a City project. The City is desperately trying to realign Palm Harbor Parkway and Forest Grove Drive either before or at the same time the Interchange is created.

Parkway East Tree Canopy-private property and private ownership zoned Commercial long before we were a City; provided an explanation of the Bert Harris Act and how it affects the property owner if we designate an area a scenic (route) area. This is an issue of private property rights and public welfare and there is a cost attached to it. CM DeLorenzo-In the 2008 Land Development Code-we increased the buffers in many places which is to help protect those areas. Believes it is 35 feet and that affects how the property is developed.

Senior Center-We talked about a senior center and it was turned down.

Mr. Landon-provided an explanation of the well sites and the savings involved; when he started in 2007, there was an appraisal for \$5million to purchase the 12 well sites, Mr. Landon renegotiated the deal -the property was given to City at no cost; savings of \$5 million. Through the renegotiations Richard Adams and myself saved rate payers \$5million. There were 3 components to that purchase-actual purchase of property where wells are located; well protection zone (area around the wells where no development that could damage the water quality around the well site) in the form of an easement which was given at no cost, and then there are the easements to run the lines from the wells to the plant, which were given to the City at no cost. In the

easement document there was a statement that Rayonier was to give FPL an easement subject to agreed upon language; according to Mr. McDonald this is Mr. Landon's mistake-to tell the property owner how the easement language had to be with FPL. FPL has two programs to get electricity to things like well sites (where you have a long run) the first one is FPL will build the lines for you, in this case it is about a \$700,000 project. FPL gave the City an estimate-drew up the design proposal and then attempted to get the easement from Rayonier and could not reach an agreement. The second option from FPL is run your own lines. We had to choose running our own lines. The City went out to bid and received a quote about 2% higher than FPL's quote to run the lines. In option 1, FPL would run the lines and charge the City full rate for electricity but would contribute \$300,000 toward the construction (the power charge would pay back the cost of the construction plus electricity). In option 2, if the City ran the line, we would have 1 master meter and receive a reduced rate from FPL but we would have to pay full cost. When you look at that one snapshot, the capital cost for the project would be \$300,000 more, however the operating costs to run these huge pumps, our on going operating costs are at a reduced rate forever (in perpetuity) a bulk rate.

Summary-with the renegotiations for the well sites, Mr. Landon and Mr. Adams saved over \$4.5 million in capital expenses plus we will have a lower operating cost when the wells come on line. Another positive in the whole deal was the 1994 Agreement with ITT was a 20 year deal-they had to purchase the wells within 20 years, 2014 deadline. In order to preserve our right to purchase additional wells, our initial plan was to go out and purchase the other well sites before 2014. In our renegotiated contract with Rayonier, we extended it another 20 years, which means the rate payers of today do not have that multi million dollar purchase price from 2007, therefore an additional savings to our rate payers. Encouraged everyone to come back to the hearing on February 19, 2013 at 9:00 a.m. and we will be providing the whole presentation of how we cut costs.

Mayor Netts-gallons pumping per day Mr. Adams-currently pump 8 million gallons per day; in some of our wells we can pump 50 gallons a minute to 450 gallons per minute per well per day. Mayor Netts-geography affects cost of water acquisition.

Mayor Netts-in response to Mr. Wainwright-There are 3 Garbage pickups per week 2 garbage pick ups per week, 1 recyclable pick up per week; tipping fees affect the cost of pick ups.

E. Discussion by CITY COUNCIL OF MATTERS NOT ON THE AGENDA

CM Ferguson-supports a Pet Memorial.

Ms. McDonald requested Council respond to Mr. Lawrence's request for a continuance for the Utility increase. Mayor Netts-if we see there is a viable alternative, we can defer at the Public Hearing. We are required to hold the Public Hearing by law.

F. Discussion by CITY ATTORNEY OF MATTERS NOT ON THE AGENDA

Nothing at this time.

G. Discussion by CITY MANAGER OF MATTERS NOT ON THE AGENDA

Nothing at this time.

H. Adjournment

The meeting was adjourned at 8:34pm

*Respectfully submitted,
Virginia Smith, City Clerk*

ATTACHMENT TO MINUTES

[13-24](#)

MEETINGS CALENDAR AND AGENDA WORKSHEET

Attachments: [Meeting Calendar](#)
 [Agenda Worksheet 2013-Present](#)

[13-29](#)

ATTACHMENTS TO MINUTES

Attachments: [Grand Haven CDD Boundary Contraction](#)