



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 Jason DeLorenzo
Council Member David Ferguson
Council Member William Lewis
Council Member Bill McGuire

Tuesday, July 15, 2014

9:00 AM

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.

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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

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

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

Approval of Minutes

- 1 [14-256](#) MINUTES OF THE CITY COUNCIL'S:
 A. July 1, 2014 City Council Business
 B. July 8, 2014 City Council Workshop

Attachments: [July 1, 2014 Business Meeting](#)
 [July 8, 2014 Workshop](#)

A motion was made by Council Member McGuire, and seconded by Vice Mayor DeLorenzo, that the Minutes be approved as presented. This motion was approved by the following vote:

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

PRESENTATIONS

Proclamations and Presentations

- 2 [14-255](#) PRESENTATION OF AWARDS TO BRIAN MATTHEWS FOR
 EDUCATOR OF THE DECADE AWARD AND THE DISTINGUISHED
 SERVICE AWARD FROM THE SOUTHEAST DESALTING
 ASSOCIATION

Mr. Landon provided a brief overview of this item. Ms. Lane introduced Mr. Matthews. Mayor Netts presented the awards to Mr. Matthews.

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

Second Reading

- 3 [14-232](#) ORDINANCE 2014-XX FUTURE LAND USE MAP AMENDMENT
 FOR A 3 +/- ACRE PARCEL LOCATED AT THE SOUTHWEST
 CORNER OF SEMINOLE WOODS PARKWAY AND STATE ROAD
 100

Attachments: [Ordinance-Airport Commerce-FLUM](#)
 [Existing FLUM-Airport Commerce Center](#)
 [Existing Zoning-Airport Commerce Center](#)
 [Location Map-Airport Commerce Center](#)
 [Staff Report-Airport Commerce Center](#)

City Attorney Reischmann read the title into the record.

Mr. Landon gave a brief summary of this item and item 4.

Public Comment:
There were no public comments.

A motion was made by Council Member Lewis, and seconded by Council Member McGuire, that the Ordinance be adopted on Second Reading. The motion was adopted by the following vote:

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

Enactment No: O2014-16

4 [14-233](#)

ORDINANCE 2014-XX ZONING MAP AMENDMENT FOR 3 +/- ACRE PARCEL LOCATED AT THE SOUTHWEST CORNER OF SEMINOLE WOODS PARKWAY AND STATE ROAD 100

Attachments: [Ordinance - Airport Commerce Center Rezoning](#)
 [Location Map-Airport Commerce Center](#)
 [Staff Report- Airport Commerce Park Rezoning](#)

City Attorney Reischmann read the title into the record.

Attorney Reischmann reminded Council this is a quasi-judicial item. Mayor Netts called for any ex-parte communication. There were none. This item was heard under Item 3.

Public Comment:
There were no public comments.

A motion was made by Council Member McGuire, and seconded by Council Member Lewis, that the Ordinance be adopted on Second Reading. The motion was adopted by the following vote:

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

Enactment No: O2014-17

Resolutions

5 [14-242](#)

RESOLUTION 2014-XX TO ESTABLISH THE PROPOSED MAXIMUM MILLAGE RATE FOR FISCAL YEAR 2015 AND SET THE

FIRST PUBLIC HEARING DATE ON THE BUDGET

Attachments: [Resolution FY2015 Maximum Millage and 1st Public Hearing](#)

Mr. Landon gave a brief overview to this item. Mr. Quinn provided a PowerPoint presentation, which is attached to these minutes.

Mayor Netts-If we had a typical public service tax to supplement the general fund, what would be the potential millage rate? Ans: Mr. Quinn-I do not want to quote an amount but we would probably be able to drop the millage rate by a mill.

CM Ferguson-Of the 26-27 million, 15 or so is expected to come from ad valorem; If you add those two together, where are those other components that flow into that 26-27 million? Ans: Mr. Quinn-Various other fees and permits; recreation fees; we bill FDOT for median upkeep; there is a whole list of various miscellaneous for services that we perform.

Public Comments:

John Erpelding-Observer article regarding ballot issues and put the budget on the ballot. Tax increases.

Jack Carall-bed tax and sales tax-where does all that money go?

Louis McCarthy-Budget proposed-will it reduce, maintain or increase the level of services?

Responses to public comments:

Millage rate increase-Ans: Mr. Quinn-This is a common misunderstanding by the public. The public focuses solely on the millage rate. It does not take into account the actual taxable value of the property. If we look at the 2008 line item (in the center of the PowerPoint presentation "Millage Rate History" slide), the taxable value of the property was 7 billion, the millage rate was just under 2.97. We generated \$20 million in property taxes. Now here in 2014, our millage rate is 4.2705, the taxable value has decreased as I have mentioned somewhere in the vicinity of just under 50% of what it was, so in reality from 2008 to 2014 the City has collected almost \$5 million a year less in taxes. By all definitions, that is a tax decrease and I think if people take a hard look at their property tax bill, look at what the taxes were in 2008 versus what they are today, just for the Palm Coast portion, that they will find that amount (for most people) has not changed that much.

Level of Service-Ans: Mr. Landon-This millage rate supports the level of service you have seen in the past few years. No drastic change.

Bed tax-Ans: Mayor Netts-First and foremost we share that with the County; our share of the local bed tax has substantially decreased.

Level of Service-Mayor Netts-We are not cutting services, now we are in a level kind of a mode. The demand for services is increasing, so we are increasing staff by 1.5 positions, but we are increasing staff to meet the demands.

Raising rate to over 6 mills-Ans: Mr. Landon-clarified that this was an option for City Council in accordance with State law. There has been no discussion to raise the millage to this rate. Staff is proposing a 4.2705 millage.

VM DeLorenzo-Budget on the ballot question. Ans: Mr. Quinn-The shorthand for the State rules is called TRIM (Truth in Millage) when we talk about complying with State laws. The State laws start with your current millage rate, looks at what growth there is

or is not in a particular entity, does a calculation based on potential changes in population, and some other things, and comes up with the rollback rate, and provides the rate you can charge and not really bring in any more new revenue other than some new revenue that was for new construction that was previously not on the books. Then based on that, it continues its calculations based on State laws, there is a rate that Council can approve, on majority vote, known as the majority vote rate and there is the highest rate vote that Council can approve with a 2/3 vote. Anything above these millage rates (set by State law) would have to go to the ballot and approved by the voters.

A motion was made by Council Member McGuire, and seconded by Council Member Ferguson, that the Resolution be adopted. This motion was approved by the following vote:

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

Enactment No: R2014-76

6 [14-250](#)

RESOLUTION 2014-XX AUTHORIZING THE CITY MANAGER TO NEGOTIATE THE TERMS AND CONDITIONS OF THE GRANT AGREEMENT WITH THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION FOR THE CITY OF PALM COAST IRON AND COLOR REDUCTION, CONCENTRATE TREATMENT PROJECT

Attachments: [Resolution-State Grant Funding Agreement](#)
[Draft DEP State Financial Assistance Agreement](#)

Mr. Landon gave a brief overview to Items 6 and 7. Mr. Adams, Mr. Matthews and Mr. Flanagan provided a PowerPoint presentation, which is attached to these minutes.

Public Comments:

Jack Carall-We are getting about \$800,000 from the State and the Water District, we have to come up with the rest; is that iron coming in through my faucet?

Responses to public comments:

Iron-Ans: Mr. Adams-Yes, there is iron in your water but it is within the standard limits.

A motion was made by Council Member McGuire, and seconded by Vice Mayor DeLorenzo, that the Resolution be Adopted. This motion was approved by the following vote:

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

Enactment No: R2014-77

7 [14-153](#)

RESOLUTION 2014-XX APPROVING A CONTRACT WITH SAWCROSS, INC., FOR THE CONSTRUCTION OF WATER TREATMENT PLANT 3 CONCENTRATE PRETREATMENT SYSTEM PROJECT

Attachments: [Resolution WTP3 Concentrate Pretreatment System](#)
 [Contract Summary - Sawcross](#)
 [Award Recommendation Palm Coast WTP3 Concentrate Pretreatment System](#)
 [Bid Opening Tab](#)

This item was heard under Item 6.

Public Comments:

*Jack Carall-Ridding the limits of iron, but still building plant to take this iron out.
Bidding process-Is the lowest bidder the best bidder?*

Responses to public comments:

Iron-Mayor Netts-After you filter out the iron, what happens to the iron. Ans: Mr. Matthews-It goes into the filter and the filter goes in the landfill, not into our water sources. This is a small pre-treatment process. The purpose is to meet the discharge requirements.

Low bidder-Ans: Mr. Landon-We prequalify all bidders. A process we established a few years ago.

A motion was made by Vice Mayor DeLorenzo, and seconded by Council Member McGuire, that the Resolution be adopted. This motion was approved by the following vote:

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

Enactment No: R2014-78

Recess City Council Meeting and Convene CRA Board Meeting

Mayor Netts called to recess City Council and Chairman Netts convened the CRA Board.

8

[14-251](#)

RESOLUTION 2014-XX FOR SR 100 CRA APPROVING ADDITIONAL EXPENSES RELATED TO THE BULLDOG DRIVE IMPROVEMENTS PROJECT

Attachments: [Resolution 2014-xx - CRA Budget, Bulldog Drive Expenses](#)

Mr. Landon gave a brief overview to this item.

BM Lewis-If we go to court with the engineering firm, do we need to pay this in advance? Ans: Mr. Landon-Not necessarily; I do not know what the calculations are at this time, we are working through that, we will have additional costs. We are hoping it will stay within the 10%. We are also asking the engineering firm to pay some of those additional costs, how much we do not know yet.

BM McGuire-What is the time table with the engineering firm? Ans: Mr. Landon-They contacted us yesterday and are looking at getting back to us by August 1. Cannot guarantee what they will get back to us with.

BM McGuire-If there is a settlement, then those dollars will go back into the CRA fund? Ans: Mr. Landon-Yes.

BM Ferguson-Who is the engineering firm? Ans: Mr. Landon-Stantec, but we

contracted with Wilson-Miller who was purchased by Stantec. The fact that they put it in writing, is a big first step for Stantec saying they know they need to find a solution.

Public Comments:

Jack Carall-What is happening with all the property we have purchased? Are we losing revenue on those properties?

Responses to public comments:

Property acquisition-SR 100 CRA-Ans: Chairman Netts-The property acquisition along SR 100, the Whispering Pines subdivision and Midway, that has been a project that has been underway for 7, 8 years; all those properties were on dirt roads, there was no effective stormwater system, and the properties were on well and septic. It did not fit well with the nature of the dwelling units in Palm Coast. Council decided 8 or so years ago to purchase those properties, we never did eminent domain, we purchased all those properties, so they could be upgraded. We now have a chunk of property that is owned by the City. Was there a loss of revenue? Yes, to the extent that this was undervalued property, the taxes that they paid were considerably less than what they might have paid had they been a normal dwelling with normal utilities, etc. About 5 or 6 years ago, the then sitting Council wanted to know what the City was going to do with it. There were 5 people on Council and probably 15 ideas put forward. Build a university, an aquatic center, a sports complex or lease it to commercial entities, etc. Times have changed significantly, and I do not think Council has addressed this yet and ultimately the decision is with Council. Over the years the problem was you had holes in the donut, the recent property acquisition closes that hole. Mr. Landon-We actually have a couple more donut holes left. Chairman Netts-But we filled the big donut hole. Mr. Landon-Yes, we have everything along Bulldog Drive. Update- The Ajram closing is tomorrow (7/16/14). We are getting inquiries about the CRA properties. We are seeing interest in the corner lot.

A motion was made by Board Member DeLorenzo, and seconded by Board Member McGuire, that the Resolution be adopted. This motion was approved by the following vote:

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

Enactment No: R2014-79

Adjourn CRA Board Meeting and Reconvene City Council Meeting.

Chairman Netts adjourned the CRA Board and Mayor Netts convened the City Council at 10:21 a.m.

Consent Agenda

In accordance with Section 286.0114 Florida Statutes, any member of the public interested in speaking on any item on the Consent Agenda, shall come to the podium, state their name and will have up to three (3) minutes to speak.

A motion was made by Vice Mayor DeLorenzo, and seconded by Council Member McGuire, to Approve the Consent Agenda. The motion was approved by the following vote: This motion passed unanimously

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

- 9 [14-252](#) RESOLUTION 2014-XX APPROVING ADDITIONAL CONTINGENCY FUNDING FOR THE BULLDOG DRIVE IMPROVEMENT PROJECT
- Attachments:** [Resolution Bulldog Drive Improvements, Contingency Increase](#)
- The Resolution was adopted on Consent.
- Enactment No: R2014-80
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- 10 [14-186](#) RESOLUTION 2014-XX APPROVING A LAND DONATION OF 70 LARAMIE DRIVE FROM BANK OF AMERICA
- Attachments:** [Resolution 70 Laramie Donation](#)
 [70 Laramie Drive Donation Agreement](#)
 [70 Laramie Drive Addendum to Agreement](#)
- The Resolution was adopted on Consent.
- Enactment No: R2014-81
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- 11 [14-246](#) RESOLUTION 2014-XX APPROVING A WORK ORDER WITH CPH, INC., FOR THE FINAL ENGINEERING DESIGN AND CONSTRUCTION SERVICES FOR THE WASTEWATER TREATMENT PLANT #2
- Attachments:** [Resolution - WWTP #2](#)
 [Work Order Summary - CPH](#)
 [WWTP2 Design Update & SRF Funding Assistance](#)
 [WWTP2 Site Map](#)
 [Appendices A-F](#)
- The Resolution was adopted on Consent.
- Enactment No: R2014-82
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- 12 [14-247](#) RESOLUTION 2014-XX APPROVING A PRICE AGREEMENT WITH ARGOS READY MIX, LLC, FOR CONCRETE AS NEEDED
- Attachments:** [Resolution-Argos Ready Mix, LLC, Price Agreement](#)
 [Contract Summary - Argos](#)
 [Bid Opening Tab 2](#)
 [Intent to Award](#)
- The Resolution was adopted on Consent.
- Enactment No: R2014-83
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- 13 [14-238](#) RESOLUTION 2014-XX APPROVING PIGGYBACKING THE NATIONAL JOINT POWERS ALLIANCE CONTRACT #031210-SCC WITH STAPLES CONTRACT AND COMMERCIAL, INC., TO PURCHASE OFFICE SUPPLIES CITY-WIDE

Attachments: [Resolution -Staples - NJPA - Office Supplies](#)
[Contract Summary - Staples Piggyback](#)

The Resolution was adopted on Consent.

Enactment No: R2014-84

14 [14-248](#)

RESOLUTION 2014-XX APPROVING PIGGYBACKING THE CONTRACT BETWEEN MARICOPA COUNTY (LEAD AGENCY/U.S. COMMUNITIES) AND HOME DEPOT U.S.A., INC., TO PURCHASE HARDWARE SUPPLIES CITY-WIDE

Attachments: [Resolution - Maricopa County - Hardware Supplies](#)
[Contract Summary-Piggyback Maricopa County and Home Depot Contract](#)

The Resolution was adopted on Consent.

Enactment No: R2014-85

D. Public Participation

In accordance with Section 286.0114 Florida Statutes, after the Mayor calls for Public Participation, each member of the audience interested in speaking on any topic or proposition not on the agenda or which was discussed or agendaed at the previous City Council Workshop, 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.

*Louis McCarthy-Seminole Woods Multi-use path status?
Jack Carall-Rain and projects*

Responses to public comments:

Seminole Woods-Ans: Mr. Landon-Right now the crews are out at the Indian Trails School; that was the schedule to work on the school's property during summer vacation while the students are not there. Seminole Woods is still on the schedule for this year. We are working on a new schedule and are committed to the Seminole Woods path. We were not expecting to get caught up on wetland permits that are adjacent to the path.

Rain-Contractors get started early and the rain comes late in the day, so we are hoping they finish for the day prior to the rain. Mr. Landon gave an update to the current projects-Palm Coast Parkway 6 laning, Indian Trails Middle School, Weir project completed on time, bridge project completed on time, Long Creek-we did get caught with the rain, so that one is delayed possibly a month, Zero Liquid Discharge is on time, City Hall final design and final cost will be in September, Community Center rehab-design is starting, and Holland Park is ready to go out to bid.

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

CM McGuire-Renovation of Community Center. Ans: Mr. Landon-We are in the preliminary design stage.

*CM McGuire-Do you anticipate any work/construction work during this election year?
Ans: Mr. Landon-Nothing this year.*

CM Lewis-Construction on Belle Terre South? Ans: Mr. Landon-That is a County project.

VM DeLorenzo-We get monthly reports from the Sheriff's office that shows the crime rate for the City. Pointed out that the crime rate in the City is going down.

Mayor Netts-Food Truck Tuesday at Town Center, if weather holds off, is tonight (7/15). July 19 at 8:00am will be the Waterfront Park ceremony.

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

Red Light Camera-The City of Aventura filed for a rehearing for the decision on the 3rd DCA. The City of Orlando did not file a rehearing as of yet. Will keep Council apprised of the outcome.

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

All my updates have been highlighted. There is a lot going on in the City, lots of positive things, stay tuned.

H. Adjournment

The meeting was adjourned at 10:36 a.m.

*Respectfully submitted,
Virginia Smith, City Clerk*

Calendar and Worksheet**[14-257](#)****MEETINGS CALENDAR AND AGENDA WORKSHEET**

Attachments: [Meetings Calendar](#)
 [Agenda Worksheet](#)

[14-268](#)**ATTACHMENTS TO MINUTES**

Attachments: [Item 5 2015 Maximum Millage Rate Presentation](#)
 [Item 7 WTP3 Concentrate Project PP - Council](#)