



# 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 Steven Nobile**  
**Council Member Heidi Shipley**

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**Tuesday, March 3, 2015**

**6:30 PM**

**Palm Coast Community Center**

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### AMENDED AGENDA

#### 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 for each speaker.

>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.

>If you wish to obtain more information regarding City Council's agenda, please contact the City Clerk's Office at 386-986-3713.

>In accordance with the Americans with Disabilities Act, persons needing assistance to participate in any of these proceedings should contact the City Clerk at 386-986-3713 at least 48 hours prior to the meeting.

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

>All 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. Council Member DeLorenzo was excused.*

**Present:** 4 - Mayor Netts, Vice Mayor McGuire, Council Member Nobile, and Council Member Shipley

**Excused:** 1 - Council Member DeLorenzo

### Approval of Minutes

1 [15-75](#)

#### MINUTES OF THE CITY COUNCIL'S:

A. February 17, 2015 City Council Business

B. February 24, 2015 City Council Workshop

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

**Approved:** 4 - Mayor Netts, Vice Mayor McGuire, Council Member Nobile, and Council Member Shipley

**Excused:** 1 - Council Member DeLorenzo

### PRESENTATIONS

#### Proclamations and Presentations

2 [15-79](#)

#### PROCLAMATION RECOGNIZING THE MONTH OF MARCH AS MULTIPLE MYELOMA AWARENESS MONTH

*CM Shipley presented this Proclamation to Ms. Jenny Hack.*

**The Presentation was Received and Filed.**

3 [15-59](#)

#### PRESENTATION OF CERTIFICATES OF COMPLETION TO BE AWARDED TO COUNCIL MEMBER NOBILE AND COUNCIL MEMBER SHIPLEY FOR COMPLETION OF THE 2015 INSTITUTE FOR ELECTED MUNICIPAL OFFICIALS

*Mayor Netts presented the certificates to CM Nobile and CM Shipley.*

**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****4      [15-30](#)      ORDINANCE 2015-XX CONSOLIDATING THE PROVISIONS OF THE VOLUNTEER FIREFIGHTERS' RETIREMENT SYSTEM**

*City Attorney Reischmann read the title into the record.*

*Mr. Landon gave a brief summary of the item.*

*Public Comment:*

*There were no public comments.*

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

**Approved:** 4 - Mayor Netts, Vice Mayor McGuire, Council Member Nobile, and Council Member Shipley

**Excused:** 1 - Council Member DeLorenzo

Enactment No: O2015-02

**5      [14-435](#)      ORDINANCE 2015-XX RELATED TO COMPREHENSIVE PLAN AMENDMENTS BASED ON THE EVALUATION AND APPRAISAL LETTER SENT TO THE DEPARTMENT OF ECONOMIC OPPORTUNITY**

*City Attorney Reischmann read the title into the record.*

*Mr. Landon gave a brief summary of the item.*

*Mr. Jose Papa provided a PowerPoint presentation, which is attached to these minutes.*

*VM McGuire-What if Council does not approve it? Ans: Mr. Papa-These are comments not objections. They were friendly suggestions.*

*CM Nobile-You presented only Section 8 changes, what about all the other? Ans: Mr. Papa-I only provided the current comments (changes).*

*Public Comment:*

*There were no public comments.*

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

**Approved:** 4 - Mayor Netts, Vice Mayor McGuire, Council Member Nobile, and Council Member Shipley

**Excused:** 1 - Council Member DeLorenzo

Enactment No: O2015-03

**First Reading**

- 6      [15-69](#)      ORDINANCE 2015-XX A COMPREHENSIVE PLAN AMENDMENT FROM FLAGLER COUNTY DESIGNATIONS TO CITY OF PALM COAST DESIGNATIONS RESIDENTIAL AND INDUSTRIAL FOR A 276+/- ACRE FOR THE AREA KNOWN AS GRAND LANDINGS NORTH

*City Attorney Reischmann read the title into the record.*

*Mr. Landon gave a brief summary of items 6 and 7.*

*VM McGuire-What do we mean when we say high intensity industrial? Ans: Mr. Papa-We have 2 industrial designations in the City, one is light industrial which is IND1 and high intensity provides for a difference in the level of uses for the property owner.*

*CM Shipley-So the property owner has an idea of what it wants to do with the property already? Ans: Mr. Papa-To accommodate and based on the review of the comprehensive plan and the surrounding uses, we feel that it is an appropriate zoning and comprehensive plan designation that we are proposing.*

*CM Nobile-The property to the east of IND 2, what is that zoning? Ans: Mr. Papa-IND1*

*CM Shipley-The area that abuts the residential area, do they have a say in the change? Ans: Mr. Papa-There was a public neighborhood meeting held and we did not receive any comments.*

*CM Nobile-Did we get any feedback from them? Ans: Mr. Papa-No, we did not.*

*Public Comment:*

*Jack Carall-When you go industrial your water use is less than if you are residential; are we as citizens now footing the bill for those that come in later? How do we supply water?*

*Responses to the Public:*

*Residential vs. industrial issue- Mayor Netts-There are impact fees that are assessed. There are utility impact fees also that are charged to meet the infrastructure needs to meet the service. Since the City owns the utility, we also have a designated service area that we must supply utility.*

**A motion was made by Vice Mayor McGuire, and seconded by Council Member Nobile, that the Ordinance be approved on First Reading. The motion was adopted by the following vote:**

**Approved:** 4 - Mayor Netts, Vice Mayor McGuire, Council Member Nobile, and Council Member Shipley

**Excused:** 1 - Council Member DeLorenzo

- 7      [15-70](#)      ORDINANCE 2015-XX A ZONING MAP AMENDMENT FOR 276+/- ACRES FROM FLAGLER COUNTY DESIGNATIONS TO CITY OF

PALM COAST DESIGNATIONS SINGLE FAMILY RESIDENTIAL (SFR-1)  
AND HEAVY INDUSTRIAL (IND-2) FOR THE AREA KNOWN AS  
GRAND LANDINGS NORTH

*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 communications. There were none.*

*This item was heard with item 6.*

*Public Comment:  
There were no public comments.*

**A motion was made by Vice Mayor McGuire, and seconded by Council Member Nobile, that the Ordinance be approved on First Reading. This motion was approved by the following vote:**

**Approved:** 4 - Mayor Netts, Vice Mayor McGuire, Council Member Nobile, and Council Member Shipley

**Excused:** 1 - Council Member DeLorenzo

## Resolutions

8      [15-62](#)

RESOLUTION 2015-XX ACCEPTING THE CITY OF PALM COAST  
WASTEWATER MANAGEMENT SYSTEM FACILITIES PLAN DATED  
FEBRUARY, 2015

*Mr. Landon provided a brief overview to this item and item 9. Mr. Adams, Mr. David Gierach, CPH Engineers, and Rob Ori and Mr. Wilson from PRMG provided a PowerPoint presentation to items 8 and 9.*

*CM Nobile-How do we know we are at full capacity, where they say no more capacity? Ans: Mr. Gierach-DEP bases it on the 3 month average daily flow going to the facility. Basically you have a running 3 month average daily flow that DEP will look at and say your capacity is now exceeded.*

*CM Nobile-Why under these circumstances are we being conservative? Ans: Mr. Gierach-We are being conservative due to past history over the past 5 years and not overestimate; making sure we do have capacity available to serve those that do come on board.*

*VM McGuire-What happens if we do not build this? Ans: Mr. Gierach-You will receive a letter from DEP noticing potential fines for not expanding your facilities to meet the needs; they will stop issuing permits-not allowing future development.*

*CM Shipley-As long as we are in this process, will they stop our permits? Ans: Mr. Gierach-Do not anticipate any problems with DEP.*

*VM McGuire-The new plant would be projected as a 2 MGD (million gallon per day) but expandable to a 6. What do you have to do to expand it? Ans: Mr. Adams-Basically they are almost like modules, so they will be constructing treatment basins, concrete structures and treatment modules. so it will actually operate almost like 3 2MGD plants.*

VM McGuire-So once this plant is built and on-line and we need to increase its capacity, what is that cost? Ans: Mr. Adams-It would be in today's dollars, it would be less than the initial infrastructure for the 2 MGD, there is some common components that will be part of the initial construction, so the headwork structure which brings the effluent into the plant and some of the disposal pipelines going out and coming in, a lot of them will already be constructed as part of the first phase, so it will be considerably less than the initial construction.

VM McGuire-But it is smarter to build a 2 million gallon plant now than a 6 million gallon plant. Ans: Mr. Adams-Yes, one of the things about wastewater plants is they have to have enough flow to adequately treat the wastewater.

VM McGuire-Where will this facility discharge? Ans: Mr. Adams-The main will be reuse and the back up will be between Indian Trails and US 1.

VM McGuire-The water we pull out of the wellheads will not be any different than today? Ans: Mr. Adams-Application of the reuse will enhance the capacity of these wells.

CM Nobile-Is this tying into the project where we are putting in the reclamation piping? Ans: Mr. Adams-Actually it does. The new reuse line that is currently underway will connect wastewater treatment plant 1 effluent with the wastewater treatment plant number 2 effluent and that will give us some additional flexibility at wastewater treatment plant 2 to move reuse over to the east side where it is used more.

CM Nobile-We are going to incur about \$400K to \$500K in interest? Ans: Mr. Ori-Correct.

VM McGuire-The numbers that you have in the presentation, our utility bills have other fees in them, for example, garbage and stormwater. Does the presentation include those numbers? Ans: Mr. Ori-No.

VM McGuire-Those other cities listed are just water and sewer also? Ans: Mr. Ori-Correct. Those are the amounts pledged to the SRF loans.

CM Shipley-You stated the reasons why we would do a 2 MGD versus a 6 MGD, if we do not have the growth then we have the plant at 2 MGD, do we shut it down? Ans: Mr. Adams-I suppose if there was absolutely no growth, then you could do that but the plan is to have at least 1 MGD flowing into it. One of the key factors is where the growth occurs. We do not know where the growth will occur but we will need to free up some capacity in Waste Water Treatment Plant 1.

CM Nobile-How much can we divert to the new plant? Ans: Mr. Adams-Our current plan and the capital that we are going to apply, about 1 million gallons per day.

CM Nobile-When we need to expand is that in 2 million gallons per day increments? Ans: Mr. Adams-Yes, that is the plan.

Public Comments:  
There were no public comments.

CM Nobile-Concerned with the potential expansion in 2024. Were we lucky in where we are now in the financing? Are we going to be looking at financing the expansion in 2024? Ans: Mr. Ori-At 2024 you will have paid off \$20-\$30 mil of this bond. A couple of things will happen, first of all we are not going to issue any debt until that time, your

debt to equity ratio in that plant will improve tremendously because we will still be reinvesting; so the amount of assets to your debt is going to improve. If you ask me if you are a high debt to equity ratio or debt to plant ratio today, I will tell you yes you are. There is a reason for that and that is that you bought a utility. It is like you bought your house with hardly anything down, that is where you are. If you think about where you are today to where you were when you bought the utility 10 or so years ago, you are in a tremendous financial position. When 2024 comes, a couple other things will happen. If you have the growth, that creates that plant expansion, your customer base will increase by roughly 2 MGD in wastewater, where that is 10-12,000 ERC of additional capacity that could support that additional debt. Second thing they will all be paying impact fees. Whether we pay off the bond with the impact fees, you pay it off and use it to fund that plant. There are a lot of options out there, so to say that we are going to issue a lot more debt, it may or may not occur at the level you are at today. Third is that the 2 MGD expansion will not be what you are paying today in today's dollar, the headwork is at 6, the yard piping and the ground is at 6, the ponds are at 6, ready for takeage of 2, so that cost will be less, so if you think about that you should be in a better financial position with not the same type of impact of where you are thinking right now.

CM Nobile-Where does the pay down of the debt occur? Ans: Mr. Landon-First of all, extremely proud, and if you hear what the experts are saying, the capital plan, both in the facilities themselves and how we have bought a utility that was in dire straits and was headed towards our neighbors to the south, and now actually have a plant, a system that a lot of our peers are saying wow look at what Palm Coast has accomplished. When we have these discussions right now, those discussions are going on, our financial people and our plant people are not looking just at today, they are constantly looking at where we are going to be 5, 7 years out. This plan right here, we are looking at 7 years out. If you recall at the workshop, not only did we talk about this one major capital, any time you build a plant but we spoke of the 7 year capital improvement plan, the amount of the capital projects is \$86.7 million over the next 7 years of paying with cash; because as Rob indicated there are certain things when you are putting in a pump, replacing a pump at a pump station you do not want to borrow on that pump, the fact of the matter is the utility, like a lot of industrial plants or systems are very capital intense and just a fact of life they are expensive and to not only build it but to maintain it. As you are hearing from the experts we are better today than we were when we purchased the utility. What we focus on under my administration is the plans; what is the best. We are constantly looking at all the variables every quarter.

CM Nobile-But where is the commitment to pay down the bonds, the debt, etc. early? Ans: Mayor Netts-Because nobody has a crystal ball, we have the current plan and we know we are comfortable at 1.48, Mr. Quinn monitors this on a daily, weekly basis, when those opportunities arise, it is the responsibility as a Council to determine when the actions are taken. Mr. Quinn will come to us when these opportunities are available and we will evaluate the risk and the benefits of the gains and we will determine when we take those actions.

Mayor Netts provided a summary of the purchase of the utility.

Mayor Netts-What is the term of this SRF loan? Ans: Mr. Ori-It is a 20 year loan not a 30 year loan. There is also a difference between public ownership versus private ownership-private ownership the money leaves-public ownership the money stays here.

2nd call for Public Comments.  
There were no public comments.

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

**Approved:** 4 - Mayor Netts, Vice Mayor McGuire, Council Member Nobile, and Council Member Shipley

**Excused:** 1 - Council Member DeLorenzo

Enactment No: R2015-18

9      [15-63](#)

RESOLUTION 2015-XX AUTHORIZING THE CITY'S FINANCE DIRECTOR TO CERTIFY AND EXECUTE THE PROPOSED CAPITAL FINANCING PLAN, DATED MARCH 2015, FOR THE WASTEWATER MANAGEMENT SYSTEM FACILITIES PLAN

*This item was heard under item 8.*

*Public Comments:*

*There were no public comments.*

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

**Approved:** 4 - Mayor Netts, Vice Mayor McGuire, Council Member Nobile, and Council Member Shipley

**Excused:** 1 - Council Member DeLorenzo

Enactment No: R2015-19

#### Other Business

10      [15-72](#)

PRESENT CERTIFICATES TO GRADUATING STUDENTS OF THE CITY OF PALM COAST'S CITIZENS ACADEMY CLASS

*Mayor Netts and Ms. Lane presented the certificates to the graduating class.*

**The Presentation was Received and Filed.**

#### Consent Agenda

**Public comments shall be held 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 each to speak.**

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

**Approved:** 4 - Mayor Netts, Vice Mayor McGuire, Council Member Nobile, and Council Member Shipley

**Excused:** 1 - Council Member DeLorenzo

11      [15-58](#)

RESOLUTION 2015-XX APPROVING A CONTRACT WITH



ENVIRONMENTAL LAND SERVICES OF FLAGLER COUNTY, INC., FOR THE REMOVAL AND HAULING OF LIME SLUDGE FROM WATER TREATMENT PLANT NO.1

**The Resolution was adopted on Consent.**

Enactment No: R2015-20

12      [15-54](#)

RESOLUTION 2015-XX APPROVING A CONTRACT WITH SUN STATE NURSERY AND LANDSCAPE, INC., FOR THE LANDSCAPING AND IRRIGATION OF THE MEDIANS ON STATE ROAD 100 FROM I-95 TO ROBERTS ROAD

**The Resolution was adopted on Consent.**

Enactment No: R2015-21

13      [15-65](#)

RESOLUTION 2015-XX APPROVING A PURCHASE ORDER WITH DAYTONA STATE COLLEGE CENTER FOR BUSINESS & INDUSTRY IN AN AMOUNT OF \$37,800

*VM McGuire pulled item 13 from Consent. Mr. Landon provided an overview to this item. Mr. Falgout explained the details of the grant and the management training.*

**A motion was made by Council Member Nobile, and seconded by Council Member Shipley, that the Resolution be Adopted. This motion was approved by the following vote:**

**Approved:** 3 - Mayor Netts, Council Member Nobile, and Council Member Shipley

**Denied:** 1 - Vice Mayor McGuire

**Excused:** 1 - Council Member DeLorenzo

Enactment No: R2015-22

#### **D. Public Participation**

**Public Participation shall be held 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 and state their name. Each speaker will have up to three (3) minutes each 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-The website and the City Hall webiste is excellent.*

*Jack Carall-Red light camera system-people oppose the red light cameras for many*

*reason but he thinks the main reason is that if a person drives through a red light and there is a camera-he has no chance of denial, no alibi. Please think of this when reducing the cameras. I believe in the program and that it is saving lives.*

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

*CM Shipley-Florida Park Drive-Has there been any progress with the new suggestion? Ans: Mr. Landon-At the request of City Council, we are going through our procurement process for a traffic engineering firm to study the issue.*

*Mayor Netts asked Chief Beadle to speak of the remembrance project. Chief Beadle provided an overview to the Remembrance Project. It is to bring attention to the events of 9/11. The truck will be at the Elk's Club on Thursday is 10am to 2pm. Mayor Netts asked that the schedule of where the truck will be this week to be posted on the website.*

*Mayor Netts encourages all to come out to remember our fallen.*

**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**

*The rest of the capital projects are moving along on schedule. Palm Coast Parkway 6 laning also has a separate website that updates people and they can see the progress. It is coming along very nicely.*

**H. Adjournment**

*The meeting was adjourned at 8:47 p.m.*

*Respectfully submitted,  
Virginia Smith, City Clerk*

**Calendar and Worksheet**

[15-77](#) MEETINGS CALENDAR AND AGENDA WORKSHEET

[15-81](#) ATTACHMENTS TO MINUTES