



City of Palm Coast

City Hall
160 Lake Avenue
Palm Coast, FL 32164
www.palmcoastgov.com

Meeting Minutes City Council Workshop

Mayor Jon Netts
Vice Mayor Heidi Shipley
Council Member Jason DeLorenzo
Council Member Bill McGuire
Council Member Steven Nobile

Tuesday, January 26, 2016

9:00 AM

City Hall Community Wing

>Public Participation shall be in accordance with Section 286.0114 Florida Statutes.

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

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>City Council meetings are televised on Bright House 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 9:00 a.m.

B. Pledge of Allegiance to the Flag

C. Roll Call

Records Coordinator Barbara Redline called the roll.

Present: 5 - Mayor Netts, Vice Mayor Shipley, Council Member DeLorenzo, Council Member McGuire, and Council Member Nobile

E. WRITTEN ITEMS

1 [16-31](#)

RESOLUTION 2016-XX APPROVING A PURCHASE ORDER TO TWINOXIDE-USA, INC., FOR TWIN OXIDE (CHLORINE DIOXIDE)

Mr. Landon gave a brief overview of this item. Mr. Jim Hogan, Utility Systems Manager of Water Operations, and Mr. Phil Locke, P.E., McKim & Creed, design engineer for the (Zero Liquid Discharge) project, were present for questions.

Mayor Netts asked for assurance that we are not going to have a Flint, Michigan, on our hands. Mr. Hogan - No, that was mainly due to them changing source water and taking the water out of the Flint River and it was basically the lack of corrosion control; they didn't stabilize the water which enabled it to leach lead from customers'

old plumbing and the customers' taps.

Mayor Netts - So, the lead is not in the source water, it's picking up the lead that travels through the pipes? Mr. Hogan - That is correct.

CM McGuire - What kind of receiving inspection/quality control is going to assure us that what comes from Europe to put in our water is not going to have anything that a terrorist put in it. Mr. Hogan - The product comes from the Netherlands; they have a rigid quality control there; the business director/VP of Twin Oxide-USA is a former military pilot and has a lot of experience with Transcom and they have a contract directly with DHL. They pick up the product right at the factory in the Netherlands; it gets on a plane; clears customs when it lands in Miami. If there is any appearance/evidence of tampering, it is quarantined then they directly deliver it to their warehouse in Cocoa Beach. The product is American National Standard Institute (ANSI), National Sanitation Foundation's Standard 60 approved; it has to go through rigorous testing, quality control to meet their standards. Those are standards that all chemicals used in potable water treatment have to meet.

CM McGuire - It leaves the Netherlands goes to Cocoa Beach and eventually comes to Palm Coast, is the City of Palm Coast going to do any kind of receiving quality analysis to determine that what you are buying from the Netherlands is exactly that and nothing else? Mr. Hogan - We buy the product, it is a two-part product: Part A and Part B comes in five gallon buckets sealed with a tamper proof pull tab. We inspect them, but we wouldn't have the ability to test. If there was any evidence of tampering whatsoever we would never even receive it.

CM McGuire - This is a long circuitous route to get to the end user, are you qualified to determine whether or not tampering has taken place? Mr. Locke - It is clear to see if the seal is broken, it is not something that is easy to remove whatsoever. He explained the City's monitoring system and stated they also take samples. The City does their own sampling regimen, so if there is something in the water that the terrorists put in there, it would turn up in the suite of testing that they do.

CM Nobile - Would it be sufficient; do we look for anything? Mr. Locke - We do a full suite of testing, etc.

CM Nobile asked about dilution of contaminants that could be placed in the water and detection of them. Mr. Locke - If there were a chemical put in there, the City would be monitoring those chemicals coming out.

CM Nobile - It shows everything in the water? Mr. Locke - Everything that is being regulated under primary and secondary drinking water constituents.

CM Nobile- Are there other chemicals that are used that we get in America but parts of the chemicals come from outside the Country to the distributor before we get it? Mr. Hogan - He couldn't think of any. This is a propriety product; Twin Oxide-USA is the only one that makes it; their intention is to eventually set up a manufacturing facility here in this Country.

CM McGuire - Define eventual. Mr. Hogan - That depends on how the material takes off; it looks very promising; he explained the product and that it is 99.9% pure.

VM Shipley - Do we have employees trained, that know how to use it safely? Mr. Hogan - Yes, absolutely, protections, precautions, etc.

CM McGuire - If we use this material and we are happy with it and we set up a

purchasing agreement with this company, since this is a proprietary formula that they have, if they should modify it or change it would we be aware of that so we can retest, etc., are we protected? Mr. Hogan - Yes we are protected with ANSI and National Sanitation Foundation's Standard 60; it would have to go through that whole rigorous, expensive process.

CM McGuire - Is this an ISO plant in the Netherlands? Mr. Hogan - He will have to find that out.

CM Nobile - What about cost; will we be protected from costs? Mr. Hogan - They have told us verbally that they will not raise the price on the product.

CM Nobile - Then we will get that in the contract? Mr. Landon - Yes.

CM DeLorenzo - Is there a cost benefit to using this product over the current process we are using, but also a benefit in the water quality? Mr. Hogan - We are working on the details, one of Mr. Locke's jobs will be to put that together (cost benefit analysis). We will look at other options besides just chlorine dioxide. He explained a couple of other processes they are also looking at.

CM Nobile - This will come back to us after this test (pilot)? Mr. Hogan - Yes, after the pilot project we will come back; if in fact it proves to be viable, we still don't know how much chemical we will be using in this process so when we determine all of that we will come back with a regular contract.

The Resolution was Continued.

Enactment No: R2016-6

2 [16-25](#)

RESOLUTION 2016-XX APPROVING AN ADDENDUM TO THE WORK ORDER FOR MCKIM & CREED, INC., FOR THE COMPLETION OF THE CITY'S BEACHSIDE SEWER SERVICE, PHASE 1 PROJECT

Mr. Landon gave a brief overview of this item. Mr. Stephen Flanagan, Community Development Director, was available for questions.

VM Shipley - Is this for time; somewhere we made road changes, etc.? Mr. Flanagan - We actually, during the first design process, moved the site of the pump station; it was going to be on Hammock Dunes property and they didn't want it there so we moved it to the County's park site so there was additional cost. The second change order was for additional work on the park site, some additional Florida Department of Transportation permitting that was done prior to the contractor's contract.

CM McGuire - Why does this require Council action? Mr. Landon - Anytime we write a check for over \$30,000 (according to purchasing policy), it needs Council approval.

CM McGuire - Who is responsible for the maintenance of that pump station? Mr. Landon - We charge them utility rates that go to the maintenance of the whole system.

The Resolution was Continued.

Enactment No: R2016-5

3 [16-30](#)

DISCUSSION CITY COUNCIL SALARIES

Mr. Landon gave a brief overview of this item. Mr. Christopher Quinn, Finance

Director, presented a worksheet for discussion (attached to these minutes).

Mayor Netts - Here are the numbers (on the spreadsheet), what would you like to do?

VM Shipley expressed she tried to look at every possible way to come up with a figure, because Palm Coast is original; hard to come up with good comparisons; other cities with similar populations make much more. She looked at a percentage (by population of County) of County Commissioners' salaries but that was approximately \$40,000; she can't offer that to people who live here, etc. She went online and found the average person living in Palm Coast makes \$22,856. She thinks that is a fair number and also to take it out of Council's hands, and just allow future increases with whatever the City employees get.

CM Nobile expressed he was thinking of a similar amount. He would rather base the City Council's salaries based on the lowest paid, central kind of City employee, with annual increases employees get rather than County Commission's salaries. It's not just full time salary, but to compensate somebody who does work, etc. It makes it easier to use this as a stipend for someone else's salary so they can apply the time that is needed, etc.

CM McGuire - Labor of love, he doesn't have a problem with the salary now, he would like to see - take the Consumer Price Index (CPI) and apply that to the base rate and as far as compensating for expenses, if his expenses in the consummation of his duties to the City exceed a certain level then he should be able to turn in an expense report; let it come before the Council and get voted to compensate him for the expenses he incurred that are not part of the normal allowances of mileage and telephone. He doesn't feel real strong about this. He doesn't expect to make money doing this, but doesn't want to lose money doing this. He also suggested possibly using a City vehicle for City business.

CM DeLorenzo was thinking going back retroactively to the last time it was adjusted and CPI from that point to catch us up to where we are now and use that going forward. The pioneers of Palm Coast had an idea in mind and it has been adjusted a couple of times to make sense. He feels it is for the love of the community, not for the money for sure. He doesn't think he is spending more than what he is making in actual expenses.

CM McGuire - If you put a lot of mileage on your vehicle, he doesn't think Council is compensated enough.

CM Nobile - How much do we get, based on Federal? Mr. Quinn - Right, the current mileage allowance is established based on number of miles driven each year at the IRS rate.

CM DeLorenzo - How much is that mileage (rate)? CM McGuire - 55.5. Mr. Quinn - The total annual mileage right now is about 2,300-2,400 miles is what is automatically factored into City Council reimbursement.

CM Nobile - The founding fathers, the number was arbitrary; it was something better than arbitrary but more than anything it was designed to get the incorporation passed. The number of constituents has dramatically changed; times have changed since then. We need to have the compensation for potential Council Members. He agrees with CM McGuire, he signed on with no intention of getting anymore.

CM DeLorenzo - Maybe it should be a bumping of the salary but maybe more so a bumping of the mileage allowance.

VM Shipley asked what the Mayor thinks about this. Mayor Netts - He will not benefit from this, but he doesn't think anyone gets into this for the money; his mileage log last year was on the order of 4,000 miles; it far exceeds the mileage allowance; that might make sense. The CPI increases, actual mileage makes sense to him. The one advantage that the County Commission has is their salaries are not arbitrary; set by the State and it is based on population; they never have to vote on their salary.

CM Nobile likes the number VM Shipley came up with.

VM Shipley - After the initial discussion of Council salaries the timing was never right to bring it up, but anyone that has actually been running (and here), we earned at least \$20,000 a year.

CM DeLorenzo asked what the number was for Deltona? VM Shipley - The Mayor gets \$12,000.

Mayor Netts mentioned different charities where people donate their time.

CM Nobile expressed the increases may bring more people to run for Council; this can be a stipend to their regular salaries.

VM Shipley thinks we need to take it out of our hands; that the raises are done from here on automatically.

CM Nobile lowest paid employee and move with the percentage of raises of other employees.

VM Shipley - If we use that figure, what will it come out per household? (While Mr. Quinn was calculating the amount) -

Attorney Reischmann reminded Council this would be established by ordinance; timing - the compensation, if changed, shall not take effect until the date of commencement of the terms of Council members elected at the next regularly scheduled election that follows the adoption of said ordinance by at least six months.

Mayor Netts - Theoretically, suppose we approved it today, when would it be effective? Attorney Reischmann - Next scheduled election.

Attorney Reischmann spoke of the qualification fees to run for election and the qualifying fees are tied to that; 10% of salaries.

CM Nobile would suggest to amend the qualification fees to a static number.

There was further discussion about the alternative of petitions (1%).

Mayor Netts - What is the equivalent of the millage rate? Mr. Quinn - Per \$100,000 of taxable value would be \$1.83; based on our average taxable value here in Palm Coast it would be about \$1.65 per year (raising millage rate by 0.018%).

CM McGuire - Does that come out of the general fund? Mr. Quinn - Yes.

VM Shipley - The last raise of salaries of City Council, what was it and what did it go to; what was the point of raising it back then? Mayor Netts - We had exactly the same kind of issues; there have been no issues raised. Mr. Quinn - It wasn't a huge jump; a few thousand dollars a year.

Mayor Netts - Options before us: raise in the base salary, a linking of the base salary to some variable (population, CPI, etc.) or the adjustment of the accessory compensation - mileage allowance or communication allowance or the addition of some other benefits like health insurance. Those are all options that are available to make the change in compensation to City Council.

Attorney Reischmann read from the Charter that Council may provide for reimbursement, actual expenses incurred by its members while performing their official duties. There was discussion about mileage expense and how it is taxed, etc.

Mr. Landon - Ordinance could be drafted with blanks and Council can vote on it with a blank amount and percentage for annual increases.

CM Nobile - Lowest base salary and goes up like City employees' salaries; entry level rung.

Mayor Netts - Draft model ordinance and see if someone can bring it up at the business meeting.

Public Participation shall be in accordance with Section 286.0114 Florida Statutes. Any member of the public interested in speaking on any proposition agendaed or that Council discusses or considers during this workshop, will be afforded the opportunity to speak during public participation at the next City Council Business Meeting. Contact the City Clerk's office for the meeting date, time, and location at 386-986-3713 or cityclerk@palmcoastgov.com.

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

CM DeLorenzo - Fernmill Lane, the people are having a lot of issues because the closing of Forest Grove on both ends. We have to have patrols there every day during the high traffic times, etc. All of the traffic is going to Fernmill to get to school and the construction projects.

Mayor Netts - What do you suggest we do? CM DeLorenzo - We have to do something. Mr. Landon - We have attempted to do some things; we do have patrols out there and residents have acknowledged that deputies are out there on a regular basis to control speed.

Mayor Netts - Is the issue speeding or traffic? CM DeLorenzo (and Mr. Landon) - Both. Mr. Landon - We need to make sure the contractor is not using that as a route whatsoever. We have put up detour signs to have people use Fellowship. Detours on residential streets are bad news but we have no choice.

Mr. Landon - If you want to give it a try we could say local traffic only; there is going to have to be some traffic there.

CM DeLorenzo thinks we have to do that; these folks have had to deal with enough; construction will be done in six weeks.

Mr. Landon - Block at Fellowship; he believes that is the last street before Fernmill to force people to go over to Old Kings Road. We will have to look at how we can adjust the detour at the other end. Once construction is over, it will be better for everyone but during construction there is not much we can do.

CM Nobile - Why are there sprinklers in the swales? Mr. Landon - Because they put them there without permission; they are not supposed to be there but they are out there all over the place.

CM DeLorenzo - It is all the same contractor for Old Kings Rd. North, etc.? Mr. Landon - Old Kings Rd. Extension is a different contractor. The contractor that we are using for Palm Harbor Extension is the same one as the Interchange, Hubbard.

CM DeLorenzo - The extension of Old Kings Rd., is that a County managed project? Mr. Landon - Yes, County managed.

CM DeLorenzo - Because it seems like the communication wasn't great here either; closing both ends at the same time or adjusting the traffic pattern both at the same time also contributed to this problem.

CM DeLorenzo - Palm Harbor Extension, is it on time; end of February, early March? Mr. Landon - We are in March; trying very hard to make sure they stay on task.

CM DeLorenzo - Who is the commissioner for that district? CM McGuire - Mr. Meeker.

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

No comments.

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

Mr. Landon reminded everyone of the Ethics training required by the State to be performed by Attorney Reischmann at 1:00 p.m.

Events:

Annual first tennis tournament starts this week 1/28/16 through the next week.

Central Park this weekend is the Color Vibe 5K Walk/Run 1/30/16.

Next weekend Thursday-Sunday (2/4-2/7/16) Birds of a Feather Festival.

VM McGuire - What is the status of Holland Park? Mr. Landon - Nothing but positive; schedule is catching up more than getting behind; going vertical with buildings and structures.

CM DeLorenzo - Did you discuss Little League at all last meeting? Mr. Landon - We worked it out with the tournament representatives, and they will use the High School fields; tournament people are being extremely cooperative to make all happy.

(Mayor Netts excused himself from the meeting at 10:23 a.m.; meeting adjourned immediately afterwards).

I. ADJOURNMENT

The meeting was adjourned at 10:24 a.m.

*Respectfully submitted,
Barbara Redline*

ATTACHMENT TO MINIUTES

[16-32](#)

MEETINGS CALENDAR AND AGENDA WORKSHEET

[16-37](#)

ATTACHMENTS TO MINUTES