



# City of Palm Coast

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## Meeting Minutes City Council Workshop

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

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**Tuesday, July 14, 2015**

**9:00 AM**

**Council Conference Room**

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

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

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

### **C. Roll Call**

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

**Excused:** 1 - Mayor Netts

### **D. PRESENTATIONS**

#### **1 [15-289](#) PRESENTATION ON ENERGY SAVINGS AUDIT UPDATE**

*Mr. Landon gave a brief overview of this item. Mr. Stephen Flanagan, Community Development Director, gave a PowerPoint presentation, attached to these minutes.*

*CM DeLorenzo - Can you remind us and new Council Members how the contract worked? Mr. Flanagan - The contract has options, originally the alternative energy team wanted to focus on energy savings so we explored how we could best do that. We found a State Statute that allows for performance contracting and energy auditing, so we went out on the street for a RFQ (request for qualifications) and we had four companies submit for that RFQ and we went through a process and*

*selected Siemens as the best one out of the four. We then went into a contract with Siemens which allows for the audit to be done and it also allows for the City to either choose to just accept the audit or accept the audit and go into a performance contract with Siemens.*

*CM DeLorenzo - Did we pay anything for that? Mr. Flanagan - Yes, \$53,000 for the audit.*

*VM McGuire - Did they look at the new City Hall configuration and see anything there that caused them to raise their eyebrows? Mr. Flanagan - We requested they look at the City Hall but based on our team and that it was designed to be LEED certified there wasn't really anything there that they came up with to present to the team.*

*VM McGuire - Can you put dollars to any of these (lighting changes); how many dollars/savings are we going to realize? Mr. Flanagan - We can come back and do that; in the audit there are clear numbers that show in what is proposed, in the improvement measures, what the return or each year savings of making those improvements are. CM Nobile - We need to see the costs associated with the savings as well.*

*VM McGuire - Some of the work was done by City workers, so we have Journeymen electricians on our workforce? Mr. Flanagan - We have an electrician on staff with Utility, and we also hope to utilize Public Works facilities staff members to do the work.*

*CM Shipley - Is it that we hired Siemens and we have learned from them and now we can do it ourselves pretty much? Mr. Flanagan - Yes, their team spent a lot man hours here and their electrical engineers or other engineers spent a lot of time here looking at our systems; trying to find out where savings truly were; they used specialized equipment to determine, in some locations, you could save electricity if this fixture was replaced out for example but if you only use that fixture for an hour a day, then payback is not there. So they use some equipment to determine how many hours a day does this fixture run, this facility or piece of equipment run, etc. They take all the factors into consideration to determine is there a more efficient pump, light; can we change just the bulb for payback within five years. If we change the fixture, sometimes that payback is too long to make that actually work.*

*CM DeLorenzo - They had no recommendations about changing pumps? Mr. Flanagan - They found no pumps that needed to be changed to be more energy efficient. There are more efficient pumps than some of the ones we have but the return wasn't there. There was one variable frequency drive (VFD) at Water Plant 3 (WTP3) that would pay itself back, however, recent improvements we made to WTP3 negate the use of that VFD so we are not going to implement that piece.*

**The Presentation was Received and Filed.**

## **E. WRITTEN ITEMS**

- 2**      [15-290](#)      RESOLUTION 2015-XX APPROVING THE SELECTION OF BROWN AND BROWN INSURANCE, INC., AS THE AGENT OF RECORD FOR EMPLOYEE BENEFIT SERVICES

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

*VM McGuire - Who does County use? Ms. Wendy Cullen, Human Resources*

*Manager - The Bailey Group.*

**The Resolution was Continued.**

Enactment No: R2015-82

**3**      [15-286](#)

ORDINANCE 2015-XX AMENDING CHAPTER 2, ADMINISTRATION, ARTICLE VI, RETIREMENT, DIVISION 2, VOLUNTEER FIREFIGHTERS' RETIREMENT SYSTEM AND TRUST FUND, AMENDING SECTION 2-549 SUPPLEMENTAL BENEFIT

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

*No Council questions.*

**The Ordinance was Continued.**

**4**      [15-271](#)

RESOLUTION 2015-XX APPROVING PRICE AGREEMENTS WITH HARRELL'S, LLC, AND HOWARD FERTILIZER & CHEMICAL COMPANY, INC., FOR VARIOUS LANDSCAPE CHEMICALS FOR MEDIANS AND PARK ATHLETIC FIELDS

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

*VM McGuire - Is this the same company we were doing business with last year? Mr. Landon knew we used Howard Fertilizer; Harrell's is new.*

**The Resolution was Continued.**

Enactment No: R2015-79

**5**      [15-276](#)

RESOLUTION 2015-XX APPROVING PIGGYBACKING THE CONTRACT BETWEEN SEMINOLE COUNTY AND TRAFFICWARE GROUP, INC., TO PURCHASE TS2 TYPE 6 TRAFFIC CABINETS ON AN AS NEEDED BASIS

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

*VM McGuire - When someone decides to play tag with one of our cabinets; do we get any renumeration? Mr. Landon - We do go after their insurance, it depends on their insurance whether or not we are successful.*

*VM McGuire - Have we looked at the possibility of barricading them somehow if they aren't? He is asking for a cost comparison with what would it cost to protect them compared how much we are losing when we can't recoup the cost. Mr. Landon - It's not a matter of protection, it's a matter of liability. Attorney Reischmann - What type of materials, structure would have to be developed or engineered to protect our property but at the same time not exposing us to greater liability, etc.*

*CM Nobile - How many of these incidents are we talking about? Mr. Landon - On average, four a year; mostly from lightning strikes.*

*CM Nobile - How many from vehicles? Mr. Landon - One or two a year.*

*CM Shipley - If we do receive money back from a car accident, does it go back into this fund? Mr. Landon - Yes.*

*CM Nobile - What is the contract for? Mr. Landon - Purchasing the cabinets and the equipment in the cabinets, but it is on an as needed basis. If we don't have any*

*problems; no lightning strikes, then our cost is zero, but this way when we do need to go buy one we know who to go to and where to get it from at a set price.*

**The Resolution was Continued.**

Enactment No: R2015-80

**6**      [15-285](#)

RESOLUTION 2015-XX APPROVING PIGGYBACKING THE CONTRACT BETWEEN THE STATE OF FLORIDA AND AUDIO VIDEO INNOVATIONS FOR BUDGETED PURCHASES OF TECHNOLOGY AND COMMUNICATIONS SUPPLIES AND MAINTENANCE

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

*No Council questions.*

**The Resolution was Continued.**

Enactment No: R2015-81

**F.      BUDGET PRESENTATION**

**7**      [15-272](#)

PRESENTATION OF THE FISCAL YEAR 2016 PRELIMINARY GENERAL FUND BUDGET AND PROPOSED MILLAGE RATES

*Mr. Landon gave a brief overview of this item. Ms. Lina Williams, Budget Analyst, gave a summary PowerPoint presentation attached to these minutes.*

*CM DeLorenzo - What methodology is being used to determine (for Facilities Maintenance budget moved to Internal Services Fund)? Mr. Quinn - The same methodology that we used in the general fund; based on budget volume by department; facilities budget is based on what we project the cost of repairs and maintenance. In the past, it has been projected out by the size of the budgets and it's a percentage of the whole, so if your operating budget was \$30 mil. you would use more of the facilities than the \$2 mil. budget.*

*CM DeLorenzo - So facilities is not just lights and tiles, facilities is what? Mr. Quinn - It is janitorial services, general repairs and maintenance, changing light bulbs, painting, etc.*

*CM DeLorenzo - Do you take the total facilities budget and determine a unit cost and multiply it by the portion of their budget to come up with that number, which way does it work up or down; do you have a total facilities cost and then you work it down? Mr. Quinn - We allocate the total facilities cost out to the various departments that benefit from the use of those facilities. Ms. Williams - We use the previous year's actual in order to come up with this, so we are not collecting what we think the department will spend, we look at what the department spent the previous year, etc. Mr. Landon - What we are proposing this year is that facilities maintenance be combined with the fleet maintenance fund, so now those other funds instead of paying the general fund, will pay the maintenance fund and the general fund will pay its fair share which is about \$276,000 which will go into that. Mr. Quinn - The facilities budget has always been allocated out to all departments, it has just been accumulated in the general fund so we are just taking that accumulation out of the general fund, setting up its own fleet facilities fund because it makes a lot of sense management-wise and it really is an internal service; the other part is we have a new City hall coming on line shortly; renovations for the community center and there has been discussions about putting money aside for eventual replacement for a new roof at City Hall, air*

conditioning system, etc., this kind of fund similar to fleet will help facilitate those discussions and do those accumulations. The departments individually are going to see the same costs that they always did.

VM McGuire - Are you promoting someone to fleet management? Mr. Landon - No, we have a supervisor of fleet management now and that person will be in charge of fleet and facilities management. We had a separate supervisor in charge of facilities management, Mr. Nestor Abreu, Public Works Director, is proposing two supervisory positions be eliminated and reduced to equipment operators or maintenance workers.

VM McGuire - So, you are taking two jobs and combining them into one? Mr. Landon - The supervisory portion, yes.

VM McGuire - What happens to the one that isn't picked? Mr. Landon - He is already gone; position is vacant.

VM McGuire - Is this the position Tony Capela used to hold? Mr. Landon - No, Ken Dawson he recently left to do something else.

VM McGuire - So, by reducing a salary position, you show a savings? Mr. Landon - Yes, potential savings in this area.

CM Nobile - How are we dealing with moving from this facility to the new City Hall, are we anticipating that cost to be down that first year? Mr. Quinn - Yes, obviously we won't have to pay rent; roughly \$250,000 a year in rent. October is the only month that we will pay rent still for this facility. So, it will be roughly a \$230,000 savings just in rent alone.

CM Nobile - Where is the money for the move coming from for the physical move? Mr. Landon - Most of that we are going to do with our own crews. IT is probably the one that has the most complex move. We don't own the cubicles in this building, but any furniture we can reuse we are taking with us. We have a team and telling people to prepare so we don't take any more junk than we have to. We will move as much as we can Monday through Friday.

VM McGuire - Where are all these crews coming from? Mr. Landon - Public Works.

VM McGuire - So, do you have a gantt chart that lays out all the tasks that have to be done and puts a time to them; what team? Mr. Landon - The team is working on them; City Hall team is working on a variety of things for the move.

VM McGuire - Are you using critical path to plan this? Mr. Landon - The team is working on it; we are planning far enough in advance; cost will definitely be less than the cost of rent.

VM McGuire - Is the cost to move from here to there already included in the new City Hall price? Mr. Landon - No.

VM McGuire - Where is the cost? Mr. Landon - It is in next year's budget what little there is.

VM McGuire - General fund? Mr. Quinn - It is spread around; some of it is in Public Works; the hard costs are really our labor costs primarily that we have already budgeted for next year in the proposed budgets.

CM DeLorenzo - The changes in Community Development, those are the changes to

*the budget but the organizational structure includes Building and Planning plus Engineering, Stormwater Engineering, Utility Development and Construction Management? Mr. Landon - Right, basically the capital improvement program; doesn't impact the building fund from a budgeting standpoint. This is a new division (Construction Management and Engineering) within Community Development and this eliminated the engineering and stormwater department.*

*Mr. Landon - New Positions - 4.5 FTE-full time equivalencies; park maintenance with new parks and Holland Park coming on line, Long Creek and outside of the new City Hall - we are proposing 2 full time positions and 1 part time position which will be an evening hour position for maintenance of restrooms and those type of things. Also, with the increases in recreational programs he is proposing Luanne Santangelo's (Parks & Recreation Director) request for an additional recreational supervisor.*

*VM McGuire - Would that be to replace Lauren Bennett? Mr. Landon - Lauren was a recreational supervisor; we are replacing her and adding another one. The last one, this year because of some needs and opportunity with finding somebody that fit very well, we hired a part time person to help out with contracts and risk management/safety program; we are proposing that become a full time position come October 1.*

*VM McGuire - Do you have a job description for that person? Mr. Landon - Yes, Human Resources has that.*

*VM McGuire - What about hourly employees? Mr. Landon - Same thing.*

*VM McGuire - When you say performance based, he interprets that as saying you have a list of goals and if they meet and exceed those goals, you are eligible for a performance based increase of up to 3%. Mr. Landon - No, up to 5%; this is the average of 3% being budgeted.*

*VM McGuire - Did we do this in the last fiscal year? Mr. Landon - Yes, this is our typical pay plan. we did that last year.*

*VM McGuire - Of all our City employees, approximately how many received a performance based increase? Mr. Landon - All of them received something. These past couple of years it has been 2% average; this year we are proposing to go up to 3% average. Basically, most employees will see a 4% pay raise with this proposal.*

*CM Nobile asked if they have a 3% budget, but they have an exceptional crew; everybody is getting a 4% raise, etc.? Mr. Landon - You might say, they take 3% of their salaries and that is the pot of money they have, and they decide how that is divided up amongst their employees based on performance; top performers should be making more and average performers will make less.*

*-General Fund slide:*

*VM McGuire - The FTEs do those numbers include fringe? Mr. Quinn - Those are actual bodies' count.*

*VM McGuire - How many of them are part time? Mr. Quinn - Just the one part time maintenance worker we discussed.*

*VM McGuire - So, that person is not eligible for fringes? Mr. Quinn - There are limited holiday and vacation amounts, depending on the numbers of hours worked, but the medical would not necessarily be available; it depends on how many hours they end up working; say 20 hours would be very limited.*

*General Fund - Totals by Division slide:*

*VM McGuire - How do account for the negative for Planning of \$193,000 when construction is going up? Mr. Landon - Because there are two people currently being paid out of Planning that are now in Construction Management & Engineering.*

*CM Nobile - Where can I determine what caused the changes positive or negative, do we have that or does he have to ask the question for each one of these? Mr.*

*Landon - For a lot you are going to have to ask. At the next workshop we are going to go through each one of these.*

*VM McGuire - Anything that shows something of significance should have an*

*explanation. Mr. Landon - This is intended to be a summary we will present in more detail; we will go through each department. He encourages questions to Mr. Quinn if Council has any.*

*-2016 Maximum Millage Rate Proposal slide:*

*VM McGuire - Do we have any reason to believe that our bill from the Sheriff is going to be any significant number? Mr. Landon - Yes, he has met with the Sheriff a couple of times about this; Sheriff is asking for an increase but it is consistent with our agreement; we will show you the detail. They give us the average cost of a deputy, corporal, commander, so we have actual costs. 25 deputies so we take that average cost and that is how we get our contribution to the Sheriff's program. He is proposing pay raises like everybody else, so those costs are going up. Our contract says the most we have to go up is 3%; some of the changes, etc., the actual costs of some of his supervisors has actually gone down a bit, but what they have talked about is a 6% increase for the deputies which will represent for us a total of about 3.7% increase.*

*Mr. Landon - Considering recent history and everything, that it is a reasonable amount and he is supporting that and presenting it to Council. No additional or fewer deputies.*

*VM McGuire - What kind of dollars does that translate to? Ms. Williams - \$96,854.*

*CM Nobile - After next Tuesday, that number is maxed (2016 Proposed TRIM Rate - 4.2450)? CM DeLorenzo - Yes, we can always go backwards from there and we always have.*

*4.2450 - 2016 Proposed TRIM rate is what staff is proposing.*

**The Presentation was Received and Filed.**

**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](mailto:cityclerk@palmcoastgov.com).**

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

*CM Nobile reported he received an email saying that the golf course is not in good condition. Are we dealing with that? Mr. Landon - Yes, in our opinion there have been significant improvements. The bunkers have to be redone and some of it is a matter of we have to put some reinvestment into the facility, and you are going to see some capital improvements for that this year, etc. If the facility goes down hill, golfers won't*

come back and why are we doing this?

CM Shipley - Currently, we allocate \$30,000 to the Arts Foundation and she would like to propose that we do, \$50,000 three years which would make \$80,000 we were giving, it would only \$1 per person. She thinks the Arts Foundation, like the soccer fields and all the other places that we have that bring in entertainment and events, she thinks it would be just as good to bring in money into this area as well as restaurants in Flagler and hotels, etc. We have a youth orchestra that is big; we put a lot of time and let's give them a place to play and Picnic with the Pops, graduations could be done at this place too. Mr. Landon - You are really talking about budget conversations and he can say the budget is consistent with last year - \$30,000; that is part of our cultural arts grants which is different from construction. If you want to support their proposal for construction, he would suggest that would be separate from it, so your proposal would be adding \$50,000 to that to make it \$80,000. We would probably suggest to split that out, one for the grant program and one for the actual improvement program. Two weeks from now when we get into this, that is one of the things Council will have to decide how much you want to plug into that program.

CM Nobile - What we are looking at is an outdoor facility; phase 1 is already permitted and ready to go, phase 2 is putting a roof over an outdoor stage; that construction is very conducive to what we want to do as a City. One of the things we have to start looking forward to is, hopefully, Central Park area starts getting filled with buildings and then we won't have a place for our outdoor facilities and festivals. He looks at it as a big investment in our community, like CM Shipley said, like we invest in golf, tennis, sports; this would give us a little diversity but still benefits the whole City. He would like to see that. Mr. Landon - Next workshop, we will highlight what we currently do and then Council can discuss.

VM McGuire is worried it is going to be like another golf course; losing money; something to think about.

VM McGuire - TDC (Tourist Development Council) is not meeting tomorrow (7/15/15); no quorum; TDC is in a flux right now.

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

Attorney Reischmann sent a summary of a recent decision from the United States Supreme Court involving signs; the name of the case is Reid vs. Town of Gilbert, a small Arizona town. The Supreme Court made a decision that affects every city in the United States of America regarding regulating signs. This Supreme Court case said a lot about how cities can regulate signs and this one plaintiff, church pastor Reid was upset because the Town of Gilbert had code enforced the church because they had directional signs to their church on the weekends to get folks to their services on Sunday. Reid said wait a minute there are other temporary signs and you are regulating them differently as far as the size of those signs and where they can be and how long they can be. His lawyer argued the town is regulating content; freedom of speech; legal, different standards for review. If you are regulating time, place and manner of signage, then it has a lower bar; regulating aesthetics, public safety, traffic, etc. When you get to content, that is when courts say you have to have a significant governmental interest if you are going to start regulating the contents. Historically, the temporary signs were based on purpose. In this particular, instance the judge said you have to read the signs and see what they say (temporary signs only) to see whether they are real estate signs, political, directional, garage sale. The courts, for the first time as to these temporary signs, concluded if you have to read the content of a temporary sign then you are going to have to support those sign content regulations under strict scrutiny; show that you have significant, compelling interests



to protect. In this case, the court found that the Town of Gilbert did not meet that test. What had been fairly black and white, is now less black and white. We (Palm Coast) are going to be conservative, proactive and we are going to protect the City from a claim for violating people's free speech. The place we start is with working with the Planning Dept. to look at our sign code and make some changes to the findings and preambles and look closely at the regulations of our temporary signs, but also work with our Code Enforcement to make sure that they code enforce signage in a way that meets the spirit, if not the letter, of this decision.

VM McGuire - Do we have any history as far as citizens saying that the City has stepped on their First Amendment rights? Attorney Reischmann - Whenever we have elections there is always a ruckus. As you remember, there was a pretty huge policy discussion several years ago about weekend and real estate signs in the right-of-ways and what we can do to regulate those and arguably, open house signs. So, Council wants to be extremely conservative as to how to react to this Supreme Court case everybody is going to have to make changes as to how they regulate temporary signs. It is not going to be a popular discussion. We are going to use common sense. Mr. Landon added, we are talking about signs on private property.

CM Nobile - If he was to put a sign on someone else's property, how would that work? Attorney Reischmann - We are not dealing with off site signs; Supreme Court says they are not regulating that today. Mr. Landon - We can't look at it and say "puppies for sale" is not okay, but "open house" is okay.

CM Shipley - Are we changing it . . . to be stricter with the codes we have? Mr. Landon - The code regarding signs on public right-of-ways won't change because right now we have none and this basically supports that you have to allow all or none. As far as private property, we are in the review process to make sure we don't have something in there that says this type of temporary sign is okay but this one is not on your own property.

Red Light cameras - Attorney Reischmann spoke about the 2010 pre-Mark Wandall and 2011 post-Mark Wandall and the Mayfield case relating to pre-Mark Wandall. Mr. Mayfield passed away so law says counsel has to substitute plaintiff but that hasn't happened for two years. Judge ruled a week or so ago that he was going to dismiss the lawsuit without prejudice in favor of the City of Palm Coast. They can try to appeal or file another lawsuit, but the Statute of limitations has run on such a cause of action.

VM McGuire - What judge rendered that decision? Attorney Reischmann - A judge here in Flagler County, State Court Judge; he will look for it.

CM DeLorenzo - Is this the case that we decided not to settle? Attorney Reischmann - Yes, ATS (American Traffic Solutions) settled. At this point it looks like that was a pretty good decision.

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

This Friday (7/17/15), 11:30 a.m. at the Community Center is the annual luncheon with the School District, School Board Members and the City Council; always a very positive event.

VM McGuire has asked for an update on our new team trying to deal with customers that are difficult. Mr. Beau Falgout, City Administration Coordinator, is heading up that team so he gave a brief update.

Mr. Falgout - We formed a team with different representatives from Human

*Resources, Risk Management, Sheriff's Office and Customer Service. We met a couple of times and our task is to develop protocols and procedures for dealing with difficult customers. Obviously, our first goal is to de-escalate the situation whenever possible and just to let everyone know that the majority of our customers, citizens are great. There are a few instances where customers tend to cross the line and not treat human beings like human beings, so we are putting together protocols and procedures for when those folks cross the line; what to do - whether it is to call your supervisor, call the Sheriff's Office dispatcher - 911 and then follow up to that. There will be some training with employees on those protocols and procedures.*

*VM McGuire - The team meets once a week? Mr. Falgout - Once every two weeks. We are in the draft stages of our protocols and procedures; once that is done we will put together training, etc.*

*VM McGuire - Have you been in contact with other municipalities to see how they handle it? Mr. Falgout - Most municipalities do not really have written procedures and protocols, a lot of places do training on de-escalation, but from what we gather it is word of mouth; learn as you go as a situation occurs. We are trying to put some definite protocols and procedures for when you are in different environments for example out in the field by yourself, you are going to handle that differently than if you are in the office or in public, and there are safety considerations as well, etc.*

*VM McGuire - This team effort is in no way aimed or looking to abridge anyone's First Amendment rights when they come in the door, contrary to popular belief.*

## **J. ADJOURNMENT**

*The meeting was adjourned at 10:49 a.m.*

*Respectfully submitted,  
Barbara Redline*

[15-294](#)

MEETINGS CALENDAR AND AGENDA WORKSHEET

[15-296](#)

ATTACHMENTS TO MINUTES