



City of Palm Coast

305 Palm Coast Pkwy, N.E.
Palm Coast, FL 32137

Meeting Minutes Special Council Meeting

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

Wednesday, September 9, 2015

5:05 PM

Palm Coast Community Center

City Staff

Jim Landon, City Manager

William Reischmann, Esq.

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.

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>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 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 5:05 p.m.

B. Pledge of Allegiance to the Flag

C. Roll Call

City Clerk Virginia Smith called the roll.

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

PRESENTATIONS**1 [15-375](#) PRESENTATION ON FISCAL YEAR 2015-2016 BUDGET**

Mr. Landon provided a brief overview to this item. Mr. Quinn and Ms. Williams presented a PowerPoint presentation, which is attached to these minutes.

VM McGuire-I receive a lot of questions like "If you are holding the tax rate down, why are the taxes collected going up?" Ans: Mr. Quinn-At the very bottom, you will see that the fiscal year 2016 taxable value is a little over \$4 billion, about a 6% increase. So even if with keeping the tax rate the same, if your taxable value increases, you potentially pay a little bit more in taxes.

CM DeLorenzo-Do you have the new taxable construction value? Ans: Mr. Quinn-Yes, it is just over \$60 mil.

VM McGuire-How much of those dollars are payroll and fringe? Ans: Mr. Quinn-I would be guessing but I will get that information to you.

VM McGuire-Why are the restrooms more expensive than Indian Trails? Ans: Mr. Quinn-These are just estimates as they are not designed yet; we did not want to under estimate.

CM Nobile-Transfer to other funds-this is where the money is held and then transferred to a project? Ans: Mr. Quinn-Correct. A good chunk of this was set aside by various developers for the sidewalk and improvements on Palm Coast Parkway.

VM McGuire-How do you get in the negative? Ans: Mr. Quinn-Basically your project costs are greater than the revenues you have.

VM McGuire-\$2 mil.? Ans: Mr. Quinn-It was actually more than that. This relates to the Belle Terre North project. There were funds expected from County impact fees to be contributed to that project that never materialized and that is what brought the fund into the negative. Mr. Landon clarified that it was City impact fees held by Flagler County.

VM McGuire-Are the impact fees being used in accordance with the Interlocal Agreement with County? Ans: Mr. Landon-Yes, there was a list of approved projects in the Interlocal that the funds are being used towards.

CM Nobile-Did all those funds go towards Palm Coast projects? Ans: Mr. Landon-No, the County used \$700K towards the Matanzas Interchange. Yes, spent in Palm Coast but not an actual Palm Coast project.

CM Shipley-Does the City benefit from that project? Ans: Mr. Landon-Yes, you could argue that.

VM McGuire-What is transfer of tax increment? Ans: Mr. Quinn-That means those of the City taxes related to the increase in the value from the base amount in the CRA that are dedicated to this project.

VM McGuire-Is that the balance we intend to always maintain, \$2.1 mil.? Ans: Mr. Quinn-It is above of minimum balance that we require in our fund balance policy but that has been consistantly the amount that we have tried to keep above \$2 mil.

VM McGuire-So that is the amount that has been decided to keep as available revenue? Ans: Mr. Quinn-That is correct. It is of course within City Council's purview to make adjustments to that.

CM Nobile-That is a percentage of? Ans: Mr. Quinn-It is a percentage of, we look at the taxable value, the floor is a percentage of the taxable value.

VM McGuire-What is a facilities fund? Ans: Mr. Quinn-That is our facilities, our own facilities maintenance that does clean up, janitorial work within the City.

CM Nobile-Do we track usage? Ans: Mr. Quinn-We track mileage, yes. We are required to write in the mileage every time the vehicle is fueled up at the fuel depot.

VM McGuire-Does this involve a transfer of funds from the stormwater fund to the fleet fund? Ans: Mr. Quinn-Yes.

There were no public comments.

The Presentation was Received and Filed.

Recess City Council Meeting and Convene CRA Board

2 [15-366](#)

SR 100 CORRIDOR CRA RESOLUTION 2015-XX ESTABLISHING THE TENTATIVE BUDGET FOR FISCAL YEAR 2015-2016 AND AMENDING THE SR 100 CORRIDOR CRA BUDGET FOR FISCAL YEAR 2014-2015

Mr. Landon provided a brief overview to this item. Mr. Quinn and Ms. Williams presented this under the 1st item under City Council.

VM McGuire-The transfer to the general fund from the Ajram purchase, why is that in 2020? Ans: Mr. Quinn-That is when the actual funds will be available to do that.

VM McGuire-Where are they now? Ans: Mr. Quinn-It was paid out of general funds when that purchase was made.

Public Comments:

Alan Peterson-How much is the debit on the CRA property?

Responses to Public Comments:

Debt-Mr. Quinn-At the end of September it will be a little over \$10 mil.

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

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

Enactment No: R2015-95

Adjourn CRA Board Meeting and Reconvene City Council Meeting

ORDINANCES & PUBLIC HEARING

Order of Business for Public Hearings (Council may make inquiries at any stage):**Open Hearing****Staff Presentation****Applicant Presentation****Council Questions of Applicant****Public Comments/ Presentations****Rebuttal by Applicant****Close Hearing****RESOLUTION**

- 3** [15-365](#) **RESOLUTION 2015-XX SETTING THE TENTATIVE MILLAGE RATE FOR FISCAL YEAR 2015-2016**
- VM McGuire-Is this the maximum millage rate allowed? Ans: Mr. Landon-This is the maximum rate allowed at this time because you set the trim rate, which is your maximum rate, and you can not go above this at this time. Before you set the trim rate, you could have increased it substantially higher than this but you made a decision at that point not to go higher and you cannot reverse that at this time.*
- Public Comments:*
Alan Peterson-Disappointed that the City was not able to lower the millage rate.
- Responses to Public Comments:*
Mayor Netts-Actually a portion of that increase in revenue is new construction, it may be business, it may be residential, it be a mix thereof, but you are absolutely right the save our homes at one point was a massive difference between new home purchase and the same house next door, existing owner, it has diminished over time and in fact at one point it reversed as property values went down but that really is a phenomena created by the State legislature.
- A motion was made by Vice Mayor McGuire, and seconded by Council Member DeLorenzo, that the Resolution be Adopted. This motion was approved by the following vote:**
- Approved:** 5 - Mayor Netts, Vice Mayor McGuire, Council Member DeLorenzo, Council Member Nobile, and Council Member Shipley
- Enactment No: R2015-96
- 4** [15-367](#) **RESOLUTION 2015-XX ESTABLISHING THE TENTATIVE BUDGET FOR FISCAL YEAR 2015-2016 AND AMENDING THE FISCAL YEAR 2014-2015 BUDGET**
- Mayor Netts read the directions into the record for the public hearing of the adoption of the proposed millage rate and proposed budget.*
- There were no public comments.*
- A motion was made by Vice Mayor McGuire, and seconded by Council Member DeLorenzo, that the Resolution be Adopted. This motion was approved by the following vote:**
- Approved:** 5 - Mayor Netts, Vice Mayor McGuire, Council Member DeLorenzo, Council Member Nobile, and Council Member Shipley

Enactment No: R2015-97

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.

Jack Carall-Report on the sports corporation that is taking over the Tennis and Golf? Lawsuits against Palm Coast-aren't we entitled to know what the lawyer is doing?

Responses to Public Comments:

Tennis and Golf-Mayor Netts-We are expecting a report from Kemper Sports, correct? Ans: Mr. Landon-You are provided that monthly and quarterly and we can pass it on to Mr. Carall. Mr. Quinn-It is also posted on our website when we receive the reports.

Lawsuits-Mayor Netts-explained the process of the executive session relating to lawsuits.

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

VM McGuire-strategy of Belle Terre Swim and Raquet Club-5:50

Mr. Landon-

This is a facility of the school board and they are looking at how to keep it alive; it may be in a different capacity.

VM McGuire-Status of discussion with Board of County Commissioners? Ans: Mr. Landon provided the history of the discussion with the County Commissioners-Interlocal Agreement for how the City can provide services to the airport-finally accomplished that goal-City and County have approved it however, the City has signed but the County Commissioners have not signed. Staff received a phone call from County staff and the Commissioners would like a joint meeting, asked that the request be sent to the Mayor, Mayor responded that the City would like to meet with a specific agenda for both sides and included that the City would like to discuss EMS services; we have not heard from the Commission as to if they would like to meet with a specific agenda. The media is reporting that County staff has stated that all issues have been resolved, no need to meet. We are still waiting to hear from the Board of County Commissioners if they would still like to meet.

CM DeLorenzo-Thanked Chris and Lina and staff for all their hard work on the budget and how much more transparent the City is with all the financial available on our

website, etc.

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

Mr. Landon-Council and administration have discussed numerous times the needs for improving the needs for seniors and senior activities. One of the things in our capital improvement budget is this facility. We are scheduled to begin in late 2016 and will have more opportunities for the seniors. Another program-we are looking at the Yacht Club for a possible purchase and seeing if that could be a facility of multi-use for the nature center and seniors. Another program coming soon in October is for Park n Rec to present an update as to what we have to offer and how can we expand.

D. ADJOURNMENT

The meeting was adjourned at 6:06 p.m.

*Respectfully submitted,
Virginia Smith, City Clerk*

[15-382](#)

ATTACHMENTS TO MINUTES