



# City of Palm Coast

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

## Meeting Minutes City Council Workshop

*Mayor Milissa Holland*  
*Vice Mayor Steven Nobile*  
*Council Member Robert G. Cuff*  
*Council Member Nick Klufas*  
*Council Member Heidi Shipley*

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Tuesday, January 10, 2017

9:00 AM

City Hall Community Wing

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### City Staff

**Jim Landon, City Manager**

**William Reischmann, City Attorney**

**Virginia A. Smith, City Clerk**

>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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>All pagers and cell phones are to remain OFF while City Council is in session.

### A. Call to Order

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

### B. Pledge of Allegiance to the Flag

### C. Roll Call

**Present:** 5 - Mayor Holland, Vice Mayor Nobile, Council Member Cuff, Council Member Klufas, and Council Member Shipley

### D. PRESENTATIONS

- 1 [17-03](#) RESOLUTION 2017-XX APPROVING A CONTRACT AMENDMENT WITH AJAX BUILDING CORPORATION TO ESTABLISH THE GUARANTEED MAXIMUM PRICE FOR THE COMMUNITY CENTER RENOVATION & EXPANSION PROJECT

*Mr. Carl Cote, Construction Management & Engineering Manager, introduced from the construction management firm, Lon Neuman of Ajax Building Corp. and Michael*

*Pellett of VOA Associates, Inc., and gave a PowerPoint presentation, attached to these minutes.*

*Mayor Holland - Are there timeframes built into the contract? Mr. Cote - Yes, there is a schedule coming up that will have some of those dates.*

*VM Nobile - From the anticipated \$7.5 mil. to the new cost; did we make any adjustments to what we were going to build? Mr. Cote - Yes, we did when we first were going through the guaranteed maximum price (GMP), they came back with \$1 mil. over the budget. So, we really didn't lose anything we did some value engineering with the construction management firm; made some changes, modified a few things; nothing changed that would affect the quality or the space that we are getting in terms of area or function; it was more adjustments with the construction management firm; some negotiations with some of the subcontractors to break some of their costs down.*

*VM Nobile - So, we got it from \$1 mil. down to \$500,000? Mr. Cote - Yes.*

*CM Cuff - Looking at the value adjustment schedule that is in the contract, it looks like a big chunk of that, \$700,000 value engineered out of the original bid is equipment and the communications for the fiber that is going to be installed later by the City. Mr. Cote - Those numbers didn't change much from what was in the original GMP number, the City has some contracts that it will work with directly to have the work done; the only thing we are phasing in is the generator. We are going to seek a grant to fund that; it will be a future element to the project. That was the largest savings backing out the generator.*

*CM Cuff - How are we cutting \$700,000 out of the bid price if we are spending that money; how is that being saved? Mr. Cote - We start with the list, we accepted maybe a third of the items that were proposed. Some were rejected, they had ultimate light fixtures, plumbing fixtures, they weren't to the same standard or quality; some were not the energy efficiency that we needed. Mr. Pellett - The items on the list, what that ends up meaning is that the City is going to contract directly with the vendors. They are in that number, still included in the figure and scope but the City is buying them directly. Mr. Cote - So, we saved the markup on them. Mayor Holland added since this project was first bid out, we have seen a substantial increase in costs of construction, just due to materials and she thinks we are seeing a significant labor shortage locally. Mr. Pellett - In the last 12 months they have seen prices go up a solid 10%.*

*VM Nobile - This project was postponed and part of the postponing of this project was on the heels of saving money to build this wing right here, so those savings are now gone. So the money we saved to say let's postpone the community center to build this community wing we are sitting in is a big part of that. It was, we are going to save money if we do it now. Those were the savings, theoretically if you balance it out, have gone out the window. Mr. Cote - Not necessarily, because both projects would have to be constructed in two phases; same with the community center decision to build the community wing to save money; this cost pushed out the community center two years, and we didn't really save money on it.*

*Mayor Holland - So, that additional \$500,000 that is coming to the fund; so you are saying we have the money? Mr. Quinn - Yes, we are paying cash for this project; it is budgeted in our governmental capital project fund. Primarily, the funding for this account comes from the half-cent sales tax that comes back to the City. Occasionally, we put some overages from the general fund into this fund pursuant to our fund balance policy.*

Mayor Holland - So, in two years this project will be fully paid for? Mr. Quinn - Correct.

CM Cuff - The \$497,500 for fiscal year 2018, is that money that was already allocated for another capital improvement or did we just happen to have that money sitting there? VM Nobile - Last year we had \$500,000 extra in the general fund, but we can still work this since it is crossing two fiscal years. We still have a chance to make it up in the next fiscal year. The fact is that we can't have something for savings if it is really going to cost us more somewhere else.

CM Klufas noticed in the proposal they are very explicit about not being responsible for asbestos and other things they would have to mitigate; does the City know of anything that would have to be mitigated? Mr. Pellett - There is none. Mr. Cote - As part of the design process nothing was uncovered; we don't anticipate anything.

CM Shipley - Do we gain any extra rooms for activities? Mr. Cote - Yes, you gain two large rooms on each end, so there will be three large spaces plus two smaller spaces. Mr. Pellett - One of those (larger rooms) has partitions to divide it.

Mayor Holland - Have we worked with all the current users of the facility to set up alternative sites while we are constructing this facility, and do you feel confident that we covered our bases in that regard? Mr. Cote - From what he understands, all existing activities have either been reprogrammed, rescheduled or relocated.

Mayor Holland - When we did a needs analysis of this space, obviously we looked at the site to see how large we could go, so we took into account the current organizations that use the facility; did we at any time look at different organizations within the community that were looking for space as for the needs assessment? Mr. Cote - Part of what was done was trying to analyze what other facilities between what people are looking for in terms of size and occupancy, the larger space, the addition to the west where the existing playground is now, was designed to be that larger facility for a multitude of activities; wedding reception, larger events. The rooms to the east were kind of limited by the existing parking and two roadways which we made as large as we could, but that was in line with what the bridge club at the time was looking for and the groups in terms of space as to what they were seeking to meet their needs.

Mayor Holland - Do we charge organizations to use the community center? Mr. Cote - Yes, they are charged for rentals of the space.

Mayor Holland - She doesn't want us to look at this and say we have a brand new facility and now we are increasing our fees for these organizations. Has that conversation occurred? Mr. Alex Boyer, Parks & Recreation Director - One of our performance measures this year is to repurpose the price plan for Parks & Recreation as a whole, so it is something we will be talking about here in the future. We haven't really discussed increasing the fees; a lot of it has to do with either cost recovery; much bigger facility, etc. Right now we do it in three different increments, we have: non-profit fees, general use fees and then for profit fees and that is how it is set up.

VM Nobile - Is it possible for us to get a copy of the schedule for this year? Mr. Boyer - Yes, once the project has been approved we have a tentative schedule set up already.

CM Shipley - The seniors, have you contacted them to make sure they have places

to go with their activities? Mr. Boyer - We have contacted all of the head organizations that had utilized the facility. So right now, any reoccurring rental group we have tried to accommodate space for at the same time and day they have been using the community center. Some groups have looked for other alternatives, because it is just something they are not interested in based off of the facility space we have available but almost everyone for the most part are waiting for us to let them know when they are moving over; some of the groups have already started at the other facilities. All of our programs that we have advertised have already moved to other locations, etc.

CM Shipley - Has it come up that we have a designated room for the seniors with a storage area? Mr. Cote - Not specifically for any specific group, the way the design was laid out is each of the meeting spaces has a storage room tied to them; mainly for City items for storage. We didn't design any separate, independent organizational storage into the facility. Mr. Boyer - We don't know what the full demand is yet. We are looking at doing more senior based programs to provide for the need that is out there.

CM Klufas - Is it lights out for the basketball courts too? Mr. Cote - Yes, the entire site will be closed to the public.

CM Klufas - There is no entry way from Palm Coast Pkwy.? Mr. Cote - Correct, they will be adding a second entrance off of Club House Drive, so there will be two entrances on Club House Drive.

Mayor Holland asked if there is a consensus for the business meeting next week. VM Nobile feels it needs to go forward. CM Klufas thinks it would be ideal to find a solution for the basketball players; keep the lights on at the court a little longer, etc. Mr. Cote - Demolition of the site is going to start quickly and it is part of the staging area; even if we tried it would only buy a week or two. We can explore other alternatives and make people aware of where the other basketball courts are; Seminole Woods Park, Ralph Carter Park.

VM Nobile - When does this project start, in March? Mr. Cote - This project will start February 1st.

VM Nobile - So, when are we anticipating Holland Park opening? Mr. Cote - Right now, we are still working with the bonding company in terms of establishing a schedule and agreement between the City and the bonding company. Attorney Reischmann - The City has been working very hard over the holidays with the surety for both the payment and performance bonds. The City has continued to do work on its own with the understanding that these would be removed from the original contract between the City and the general contractor but what is happening right now is what is required by the insurance policy which is a turnover of construction to be now managed by the surety. What we are trying to work on is a global agreement which will provide all of the specific timing of that, acknowledging what we have been doing during this interim process as well as attempting to eliminating and complete any claims between Tumbleson White and the City. The objective is when we all sign the turnover agreement we can all move forward and complete the project without having to worry about litigation.

**The Resolution was Continued.**

Enactment No: R2017-4

*Mr. Michael Brennan, Stormwater Manager, Mr. Donald Shrager, Construction Site Supervisor, and Mr. Sean Castello, Traffic Engineer, gave a PowerPoint presentation, attached to these minutes.*

*Mayor Holland - What was originally planned for Citation to connect to? Mr. Brennan - It was supposed to connect to Belle Terre Blvd., to Old Kings.*

*VM Nobile - Wasn't it supposed to go across to the other Citation? Mr. Shrager - Correct, that right of way doesn't exist anymore (Grand Landings).*

*VM Nobile - How does that impact our idea of why did we think we needed to go from Seminole to that other spot? Mayor Holland - Was it ITT? CM Cuff - Yes, ITT did the original design of that area. Mr. Brennan - We would just remove Citation and extend Sesame all the way to Seminole.*

*CM Shipley - Does this affect any houses/addresses? Messrs. Brennan and Shrager - No houses, no addresses.*

*Mayor Holland asked if we are putting in traffic lights (signals) in certain areas there in the future? Mr. Castello - It has to be warranted first; in due time it may but as of right now you have a four-lane roadway that would need to average 45,000 vehicle trips per day. You would have to multiply our number by 20 just to get there; we only support like 2,500 trips per day on that roadway so we are nowhere near that capacity.*

*Mayor Holland - And that is looking at the vacant lots that are out there? Mr. Castello - Even if you include all the vacant lots. The way we try to accommodate two lane roads now is that we try to add turn lanes to give more capacity to the roadway.*

*CM Cuff - Looking at the end of Citation right of way, east of Sesame, is any of that usable for anything, recreation? Mr. Brennan - Right of way goes all the way out to I-95 it could be turned into some kind of playground area, a pond; a lot of possibilities.*

**The Presentation was Received and Filed.**

**3**      [17-06](#)

**PRESENTATION ON FY2017 STRATEGIC ACTION PLAN/BUDGET  
PROCESS AND TIMELINE**

*Ms. Denise Bevan, City Administration Coordinator, and Mr. Christopher Quinn, Finance Director, gave a PowerPoint presentation, attached to these minutes.*

*Mayor Holland asked for an explanation of "approaches." Ms. Bevan - It is simply a term; it is how you approach the project. If we get assigned a project to reduce paperweights, you approach that project in a way to actually get it done. VM Nobile - It is the implementation, peripheral ideas, not just the task. Ms. Bevan - The reason for the tiered structure is it is a tracking mechanism for staff as well.*

*CM Klufas asked about the citizens' survey and what the reach is going to be. Ms. Bevan - We want to hear as much from as many people as possible. We feel the duration is suitable to try to recruit as much participation as possible. This is going to be a web-based approach so we will be promoting it on social media, through news releases, through of course our leadership, etc., we have gained a very resourceful aspect to this because in our last National Citizens' Survey, which goes out by mailings to about 1,500 homes, we also elected to do a web component that was not scientifically based. Our target was 500 replies and we got over 700, so we know people want to do this and we are trying to make it easy and exciting for them. Mayor Holland suggested to host at the community center, community wing, an open house*

for residents to come in and take the survey if they are out and about, paying their utility bill, getting building permits, etc.; maybe a week of coming in and taking the survey because some are not on computers and do not engage in social media. Ms. Bevan described the full timeline for the SAP and how it corresponds to the budget process.

VM Nobile - There is a kiosk in City Hall right now; is it already set up with a survey?  
Ms. Bevan - Yes.

VM Nobile - Are we going to be collecting any demographics with the data?  
Ms. Bevan - Yes.

Mayor Holland - What month do we set the millage rate? Mr. Quinn - Preliminary or maximum millage rate is set by late July. Mayor Holland suggested that the timeframe for discussion on the survey be moved up from April to give more time for any changes to be made to the strategic action plan (SAP) that may affect the budget.

VM Nobile suggested that we have these discussions as a group (in a special workshop) and we can minimize the things that go into the SAP.

Mayor Holland wants the opportunity to have open dialogue with Council about this because we can't talk to each other about it outside public meetings and she would like the timeframe moved up sooner.

VM Nobile - He would like to see a change to the vision statement. It says it doesn't matter what we do as long as we do it well, in general. He believes that to be more of a mission, not a vision. Our vision is where do we want to be, where do we see ourselves in the future. Ms. Bevan - We could combine the annual progress report item and start opening that conversation at that point where the community has the information on what you have accomplished and now you are looking forward.

CM Klufas suggested the workshop be before the City marketing campaign or survey; we have specific ideas that we all agree on that should be asked. Ms. Bevan suggested first week in February then, and we will check scheduling conflicts. Mr. Quinn added this is an important part of the process because this drives the entire budget; a lot of these have to do with capital projects that have already started and we can't really make changes to those for the next two or three years.

CM Shipley - Is there any way we could have a spreadsheet with the capital improvements - this is how much we are spending already; this is how much is there for a project that we may want? Mr. Quinn - That is in the 5-year CIP (capital improvements plan); that is what the 5-year CIP is, etc., we have that already.

CM Shipley - On the citizens' survey, do we give them a spot where they can add something? Ms. Bevan - Yes, that is one of the things we unfortunately lost with the National Citizens' Survey of having some of that real time feedback.

VM Nobile - So when do we get this rolling? Mayor Holland - Maybe Kendra can put out some dates together for a workshop.

VM Nobile - What would the agenda be? Mayor Holland - Open dialogue, maybe Ms. Bevan can provide a template for guiding the discussion.

**The Presentation was Received and Filed.**

**E. WRITTEN ITEMS**

- 4**     [17-11](#)            RESOLUTION 2017-XX APPROVING THE ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT WITH PROJECT GS2 (GIOIA SAILS)
- Mr. Beau Falgout, Administrative Services and Economic Development Director, introduced Ms. Helga Van Eckert, Flagler County Department of Economic Opportunity Director, and Mr. Patrick Moynihan of Gioia Sails aka Project GS2, and gave a brief overview of this item.*
- VM Nobile - What is the anticipated length of the payback from property taxes to the impact fees? Mr. Falgout - Right now, the estimated impact fees are \$2,000 based on the building size. Our transportation impact fees are currently under review. It depends, probably 7-10 years for payback.*
- CM Shipley - Are those employees Palm Coast residents? Mr. Moynihan - 47 employees now and 90% live in Palm Coast.*
- CM Klufas - What type of costs does your business incur for data services? Mr. Moynihan - Ironically, he will have to get back to Council on that; they moved into a leased building starting on December 22nd. One of the companies that provides internet in Palm Coast was to come out and put it in on Dec. 26th, but they didn't get it from them because they didn't have it in the street. They are going to use Datacom; at the moment using an air card so he can't give a cost as of yet; probably about \$800-\$1,000 a month.*
- The Resolution was Continued.**
- Enactment No: R2017-5
- 5**     [17-02](#)            RESOLUTION 2017-XX APPROVING AN INTERLOCAL AGREEMENT WITH FLAGLER COUNTY FOR E911 ADDRESSING
- Mr. Jose Papa, Senior Planner, gave a brief overview of this item.*
- Mayor Holland - She understood they would be consistent with what we normally practice. Mr. Papa - Yes.*
- The Resolution was Continued.**
- Enactment No: R2017-6
- 6**     [16-491](#)            RESOLUTION 2017-XX APPROVING PIGGYBACKING NATIONAL COOPERATIVE PURCHASING ALLIANCE CONTRACT #02-28 WITH ZEP, INC., TO PURCHASE CLEANING PRODUCTS
- No Council questions.*
- The Resolution was Continued.**
- Enactment No: R2017-7
- 7**     [16-497](#)            RESOLUTION 2017-XX APPROVING PIGGYBACKING THE COOPERATIVE PURCHASING NETWORK CONTRACT #R5165 WITH AUTOZONE, INC., FOR AUTOMOTIVE PARTS AND SUPPLIES
- No Council questions.*

**The Resolution was Continued.**

Enactment No: R2017-8

- 8     [17-09](#)     RESOLUTION 2017-XX APPROVING PIGGYBACKING THE LEE COUNTY CONTRACT WITH STAPLES CONTRACT & COMMERCIAL, INC., FOR PURCHASING OFFICE SUPPLIES

*No Council questions.*

**The Resolution was Continued.**

Enactment No: R2017-9

- 9     [17-10](#)     RESOLUTION 2017-XX APPROVING CONTRACTS WITH TRI-COUNTY BOBCAT SERVICES, INC., AND NORMAN-GARDNER SERVICES, INC., FOR WILDFIRE UNDERBRUSH MOWING SERVICES

*No Council questions.*

**The Resolution was Continued.**

Enactment No: R2017-10

#### **F. 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 topics on the workshop agenda or any topic or proposition not on the agenda, 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.**

*George Mayo stated it is sometimes hard to hear (in the workshops); not understanding what is being said; asked for all to speak louder.*

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

*CM Cuff - Looking for dates for the workshop in early February. VM Nobile is also looking forward to that.*

*CM Shipley - Old Kings Road, every weekend she goes down there, trash/litter is on both sides of the road, north side. Residents keep calling her about it.*

*Mayor Holland said Mr. Landon, after another resident sent an email about trash, stated that Public Works does a regular cleanup of the major roadways and she thinks Old Kings Road was included. She will followup to make sure that is the case.*



*CM Shipley - Bike riding signs, she noticed in Jacksonville as you come off the exit they have a bicycle sign and a little picture of a bike going across on the bottom to give people a reminder that there are bikes that cross in this area. She was wondering if we could look at that for where you come off I-95 onto Palm Coast Pkwy.; it seems no one comes to a complete stop where the bikes can cross. VM Nobile - Talking about technology, he can't remember where it was that they were having big problems with people going through stop signs and hitting people at a particular intersection especially people on bikes, so they have this hologram of a bike crossing the street, so it looks like someone is there but when you get close enough it goes away.*

*CM Klufas - They use mist and they project the image onto it. He is also looking forward to the additional workshop meeting.*

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

*Update on the red light camera program:  
An appeal was denied in the pre Mark Wandall challenge, prior to 2010 there was a City code enforcement citation process for people not stopping at red lights. That is good news; the City is also represented at no expense for the lawsuit that was brought against almost every city that has a red light camera program in the State of Florida. For the post 2010 Wandall, there is what is called an interlocutory appeal going on in that lawsuit and that is over so now the court is handling motions directed towards the pleadings. He is sure we will start seeing discovery on that as well.*

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

*The City Manager was excused/absent from this meeting.*

#### **J. ADJOURNMENT**

*The meeting was adjourned at 10:55 a.m.*

*Respectfully submitted,  
Barbara Redline*

#### **Calendar and Worksheet**

[17-07](#) MEETINGS CALENDAR AND AGENDA WORKSHEET

[17-21](#) ATTACHMENTS TO MINUTES